

Avant factsheet:

Medicare compliance

Quick guide

1. Get to know and understand every Medicare Benefit Scheme (MBS) item number you use (including the descriptor and explanatory note), as you are responsible for applying them in a manner that is consistent with the law.
2. Maintain tight control over what is being billed against your provider number, as you are legally responsible for all items billed to Medicare under your provider number or in your name.
3. Keep up-to-date with your clinical knowledge and your professional peer network, so you understand what is considered 'acceptable practice' and whether your practice deviates from it.

The Department of Health continues to focus on Medicare Benefits Scheme (MBS) compliance. This means that it is increasingly likely that your MBS practices will come under scrutiny at some stage. While this can be stressful, it may be prompted by any number of factors and does not necessarily mean you are accused of any incorrect billing or conduct.

The consequences of being found to be billing inappropriately can be serious. You may be required to personally repay any incorrect benefits, or in more serious cases you may be subject to disqualification from the Scheme or referred to regulatory and other bodies for investigation.

By employing risk management strategies and adhering to some simple billing rules in your practice, you can reduce the likelihood that compliance activity will have an adverse outcome.

Know your Medicare Benefit Scheme requirements

Know what you are billing. While staying up-to-date with the volume of MBS items and descriptors may be daunting, it is your responsibility to ensure you are applying current item numbers in a manner consistent with the law. This requires you to know and understand every item number and descriptor you use, and apply reasonable judgement in interpreting them.

There is no substitute for reading the full item descriptor and explanatory notes to assess what to bill and whether you meet the MBS requirements.

Items and descriptors may also change. Refer to the latest online version at MBSonline.gov.au, and ensure you regularly check common items. There is also a range of factsheets and guides which can assist in interpretation, or the new askMBS@health.gov.au service can provide written clarification on interpretation and application.

When evaluating your MBS practices, it is tempting to focus only on your billings. However, it is important to note that there are also more clinical requirements to be aware of when complying with the MBS. Some common inappropriate practice include:

- providing unnecessary or excessive services
- prescribing an inappropriate drug or at an inappropriate dosage
- failing to take an adequate history of the patient's presenting problem or perform an adequate clinical examination
- failing to address the underlying medical problem
- failing to make adequate contemporaneous medical records or obtain proper consent
- billing Medicare for an ineligible service
- using an incorrect item number or failing to fulfil the item descriptor.

Fulfilling your obligation to the MBS is not only about billing the correct item number, but also requires you to understand and comply with all aspects of appropriate practice.

Maintain control or oversight

You are responsible for all items billed under your provider number. Generally, neither your employer or your indemnity insurance will cover any penalties or repayments, if your MBS practice is found to be inappropriate or incorrect (except when a shared debt determination is made by the Department of Health). It is therefore in your interest to maintain tight control over your provider number and what is being billed under it.

In many practices, the administration of Medicare services is generally looked after by staff other than the doctor providing the service. This can be a convenient and efficient system, and, when done properly, it can assist to ensure you are meeting the item descriptors and you are billing appropriately.

However, as the consequences belong to you, you must be satisfied that billings are being performed correctly. Ideally, you should sign off on all claims being made under your provider number, and keep a copy of all the claims. Remember, you may be asked to respond to an audit or review after you have left a practice and no longer have access to the records.

Also consider whether administrative staff are getting the relevant levels of training, and they understand the process and importance of billings.

Keep your knowledge current

To be eligible for the payment of a Medicare benefit, it is a requirement that the service is 'clinically relevant'. This means the service is generally accepted by your peers as being necessary for the appropriate treatment of the patient.

In Medicare compliance, 'inappropriate practice' can be established if any aspect of your conduct, in relation to Medicare services, is deemed unacceptable to your peers. This may include the adequacy of your medical records, the level of services rendered or the appropriateness of prescriptions. While practising in a manner that is different from your peers is not necessarily inappropriate, your capacity to know and consciously employ the distinction is only valid if you understand what common practice is and how you are deviating from it.

It is therefore essential that you keep up-to-date with your clinical knowledge and your peer network. Practising in isolation from your peers can lead to a host of clinical and medico-legal issues, such as variance in Medicare services which may attract scrutiny or criticism.

Do not rely on 'corridor advice' or hearsay from your colleagues as a substitute for your own knowledge and understanding. If you are unsure about any aspect of billing for Medicare services, seek clarification from the Department of Health askMBS@health.gov.au or discuss with Avant.

Responding to contact from Medicare about your practice

Correspondence from Medicare about your billings can be received in different forms and require different actions from you. One may simply inform you of the correct usage for a commonly misunderstood item number, and invite you to review your own practice. Another may highlight a disparity with your specific data or request your cooperation with an audit.

If you have received correspondence and are not sure what you need to do, seek Avant's assistance. Acting on a request quickly can reduce the stress, length and severity of any compliance requirements. It may also help to avoid penalties imposed for unreasonably delayed responses.

If you receive contact about your Medicare billings:

- do not ignore it
- check what you are being asked to do
- seek Avant advice
- act promptly.

By employing these strategies you can be prepared for any audit of your MBS billings and minimise the risk of any criticism or adverse impact.

Remember, it is your provider number, your billings and your responsibility, so it is worth investing the time to make sure you have it right.

Additional resources

You can find additional resources, including articles, podcasts and webinars, in the Avant Learning Centre under Documentation and Medical Records: avant.org.au/avant-learning-centre

This publication is not comprehensive and does not constitute legal or medical advice. You should seek legal or other professional advice before relying on any content, and practice proper clinical decision making with regard to the individual circumstances. Persons implementing any recommendations contained in this publication must exercise their own independent skill or judgment or seek appropriate professional advice relevant to their own particular practice. Compliance with any recommendations will not in any way guarantee discharge of the duty of care owed to patients and others coming into contact with the health professional or practice. Avant is not responsible to you or anyone else for any loss suffered in connection with the use of this information. Information is only current at the date initially published. © Avant Mutual Group Limited [July 2019] MJN80 07/19 (0983)

For more information or immediate advice, call our **Medico-legal Advisory Service (MLAS)** on **1800 128 268**, 24/7 in emergencies.