

Medicare: your responsibilities



Quick guide

- Ensure you know and understand every Medicare Benefit Schedule (MBS) item number you use (including the descriptor and explanatory note), as it is your responsibility to apply item numbers in a manner consistent with the law.
- 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.
- 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.
- Keep medical records that contain sufficient clinical information to explain the service and enable another practitioner to effectively undertake the patient's ongoing care.

The Department of Health continually develops and refines its compliance schemes to ensure providers meet all requirements of the MBS and the law. This means that it is increasingly likely that your MBS claims will come under scrutiny at some stage. While this can be stressful, it may be prompted by several factors and does not necessarily mean you have engaged in any incorrect billing or inappropriate practice.

The consequences of being found to be billing inappropriately can be serious. You will likely be required to personally repay any incorrectly paid benefits. In serious cases you may be disqualified from the MBS or referred to regulatory and other bodies for investigation.

Employing risk management strategies and adhering to good billing practices reduces the likelihood that your compliance activity will have an adverse outcome.

Know your Medicare Benefit Schedule requirements

Know what you are billing. Staying up to date with the volume of MBS items and descriptors may be daunting but it is your responsibility to ensure you apply current MBS 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.

Summaries are no substitute for reading the full item descriptor and explanatory notes to determine what item to bill and ensure you meet the MBS requirements.

Items and descriptors do change. Make sure you refer to the current online version at MBSonline.gov.au when checking items. Get into the habit of regularly checking common items. A range of resources are also available from [Avant - Medicare: what you need to know](#) to help you interpret and use item numbers. The AskMBS@health.gov.au service can provide written clarification about interpretation and application of items.

When evaluating your Medicare billing practices, it is tempting to focus only on your use of MBS item numbers and compliance with item descriptors. However, 'inappropriate practice' can include any conduct unacceptable to your peers, including:

- providing unnecessary or excessive services (including ordering pathology tests or diagnostic imaging)
- prescribing an inappropriate drug or at an inappropriate dosage
- failing to take an adequate history 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.

Fulfilling your obligation under 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 nor your indemnity insurance will cover any penalties or repayments if your MBS practice is found to be inappropriate or incorrect. It is, therefore, in your own interests that you maintain tight control over your provider number and what is being billed against it.

In many practices and in hospitals the administrative aspects of Medicare services are looked after by staff other than the doctor providing the service. This can be a convenient and efficient system and, when done properly, can assist in ensuring you are meeting item descriptors and otherwise billing appropriately.

However, as the consequences are personal the responsibility also lies with you to 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 claims made for your personal records. 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 adequately trained and understand that only the provider has the authority to direct what item number is billed. If you no longer need a provider number linked to a former practice close it down so there is no risk it could be used without your knowledge.

Keep your knowledge current

To be eligible for the payment of a Medicare benefit it is a requirement that the service be '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 would be unacceptable to your peers. While practising in a manner which is different from your peers in not

necessarily inappropriate, it is important to make sure that your peers would still regard such practice as acceptable.

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 as well as Medicare compliance activity.

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

Respond to contact from Medicare about your practice

Correspondence from Medicare about your billings can be received in different forms and may require different actions in response. Correspondence may simply inform you of the correct usage for a commonly misunderstood item number and invite you to review your own practice. Other correspondence may highlight a disparity with your specific data or seek 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 requests quickly can reduce the stress, length and severity of any compliance requirements. It may also assist in avoiding 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's advice
- act promptly.

By employing these strategies, you can be prepared for Medicare compliance action 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 [Avant - Medicare: what you need to know](#)

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



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