

# Medicare matters

No Medicare and medical consultations charged at just \$3... **Margaret Faux** ponders whether these were the halcyon days of healthcare.

Working in the medical-billing arena is always interesting. Dealing with the machinations of Medicare and the health funds has been a continuous learning process. In the hope of trying to convey the fruits of my 30 years of experience in the area, and to make billing easy for the profession, I recently set about writing a book to explain it all.

As part of my research I decided to speak to a number of doctors about what it was like to practice before Medicare was introduced. I asked Dr Lorraine Jones, who recalls that a GP's consultation fee was \$2.50 in 1966 and had risen to about \$3 in 1969 (at a time when the average family income was \$50-\$60 per week). And in reply to my question regarding how patients felt about paying to see their doctor when they were likely to be out-of-pocket for the fee, Dr Jones had this to say:

"People didn't come to the doctor because they could not afford to pay, and so when they finally did come they were very sick. Often they would refuse to have blood taken or X-rays as they could not afford to pay the additional costs. They would say: 'No, I'm not having that X-ray', or 'Don't take any blood because I can't afford it'. So you had to do your best with what you had. We didn't do all the pathology testing and X-rays and scans that we do today."

Even those patients who did visit the GP would refuse to be referred to a specialist if

they were not privately insured.

"Specialist fees were covered by insurance," adds Dr Jones. "Any pensioner or uninsured patient that needed to see a specialist was referred to the hospital outpatient departments, which provided free services. The specialists in those departments used to have these long lines of people waiting for hours and hours, and getting an appointment took months."

But all this changed in 1975 with the introduction of Medibank, as Medicare was called back then.

"When Medibank was first introduced patients loved it because it meant everyone could afford to see the doctor. However it wasn't so great for medical practitioners, because the paperwork to submit claims was long and complex," Dr Jones explains. "So much detail was required on the vouchers that you needed a specific person whose job it was to check all the details before they were posted, because if one tiny detail was omitted or wrong the whole claim would be rejected. Everything seemed to be rejected by Medibank in the early days and so it took a long time for doctors to be paid – it wasn't great for cash flow!"

## PROS & CONS

On the face of it, one might think Medibank/Medicare was a boon for patients but administrative bondage for GPs. However, while it may have introduced a whole lot



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of paperwork, the scheme did have a very significant advantage for the profession, allowing doctors to examine and refer patients appropriately, and provide better healthcare.

“Medicare makes it so much easier to investigate and treat patients,” says Dr Jones. “I would never wish to be back in a pre-Medicare type billing system – definitely not!”

I had cause to think about pre-Medicare times at the start of the year, when Dr Tony Webber went public with claims that abuse of Medicare was rife. Having investigated a number of breaches, his perception of the whole profession was perhaps unfairly coloured by the abuses of a very small minority. It seems the media was altogether too happy to join the doctor-bashing bandwagon.

While making no apologies for those few who would willfully cheat, Medicare does not always make it easy for those who are trying to navigate the scheme honestly. The rules are labyrinthine, with hefty penalties for those who unwittingly make mistakes. I regularly receive calls from doctors in a panic because they are too fearful to submit a claim in case they are in error.

Seeking clarification from Medicare Provider Liaison is frustrating and confounding, with different officers giving different opinions for the same problem – obviously even they don’t understand the regulations, and they don’t have to worry about paying the fines if their advice is wrong. For more complex assessments or rulings, the wait can take months.

## SEEKING CLARITY

I often wish Medicare could function like the tax office, offering prompt written rulings and reliable advice over the phone. Medicare must take some responsibility for the confusion that it causes. I put forward those thoughts in a letter, which was published in *The Sydney Morning Herald* in January.

Maybe there were already plans afoot to improve Medicare’s advisory service, as a new email hotline has just been introduced:  
[askMBS@humanservices.gov.au](mailto:askMBS@humanservices.gov.au)

As Medicare says, it’s a dedicated email address “for health professionals to send their Medicare Benefits Schedule (MBS) item interpretation questions to the Department of Human Services”.

As the Department explains: “Enquiries sent to this email address will be handled by a centralised specialist team, who are trained to respond to these often complex MBS interpretation questions... Your enquiries will be responded to promptly and you will be kept informed of progress”.

I’d encourage you to use the service when you have queries, and am hopeful that it will go some way towards fixing the current lack of clear and helpful information. Because whatever flaws there are with Medicare and whatever the difficulties in navigating the system, Australia’s excellent level of healthcare is, in large part, predicated on it.

We all have a great interest in ensuring Medicare works well because a healthy Medicare makes for a healthy population. ©

