

# Establishing MBS-funded service models

## Checklist for community health services

This checklist is a result of collaborative work in the Grampians Region, Victoria, through the Grampians MBS Industry Advisor Project. We acknowledge the Project Steering Committee supported by the Grampians MBS Industry Advisor, Peter Larter.

This resource and other supporting resources are available at the Grampians MBS Industry Advisor Project website [www.health.vic.gov.au/pch/gpp/private\\_providers.htm](http://www.health.vic.gov.au/pch/gpp/private_providers.htm).

---

### Agree on the rationale for change

- Consider consulting clients, staff, and the board of governance

#### **Key Resources**

- *Client Services Through Medicare: Opportunities and Considerations for Community Health Services*<sup>1</sup>, p. vi
- *Project Plan template v2*<sup>2</sup>

---

### Agree on which health provider disciplines will be involved, project objectives and scope, and how the project will link with other local services/projects

#### **Key Resources**

- *Allied health disciplines that attract Medicare rebates (fact sheet)*<sup>3</sup>
- *Project plan template v2*<sup>2</sup>
- *Primary Care Partnership and Medicare Local consultation on how the new model will work with and complement the existing local service system, including private sector providers*

---

### Consider lessons learned by other community health services that have implemented MBS-funded models

#### **Key Resources**

- *Trialling allied health service models supported by the MBS: Interim evaluation findings – Lessons learned*<sup>4</sup>

---

<sup>1</sup> Department of Health. 2009. [www.health.vic.gov.au/pch/downloads/client\\_services\\_medicare.pdf](http://www.health.vic.gov.au/pch/downloads/client_services_medicare.pdf)

<sup>2</sup> Department of Health Grampians MBS Industry Advisor Project. 2011. <http://docs.health.vic.gov.au/docs/doc/Project-plan-template-v2>

<sup>3</sup> Department of Health Grampians MBS Industry Advisor Project. 2011. [http://docs.health.vic.gov.au/docs/doc/Allied-health-disciplines-that-attract-Medicare-rebates-\(fact-sheet\)](http://docs.health.vic.gov.au/docs/doc/Allied-health-disciplines-that-attract-Medicare-rebates-(fact-sheet))

<sup>4</sup> Department of Health. 2011. [www.health.vic.gov.au/pch/downloads/lessons\\_learned.pdf](http://www.health.vic.gov.au/pch/downloads/lessons_learned.pdf)

---

## ❑ Consider infrastructure requirements

- Rooms, equipment, consumables, communication/messaging systems, billing systems

---

## ❑ Begin a project plan

- Address the prompts within the supplied project plan template

### Key Resources

- *Project plan template v2*<sup>2</sup>

---

## ❑ Agree on service model/s for each discipline

- Models include: salaried (100% donation); 'rooms for rent'; percentage split; and facilitation of externally provided MBS-funded services

### Key Resources

- *Client Services Through Medicare: Opportunities and Considerations for Community Health Services*<sup>1</sup>, p.9–10

---

## ❑ Establish project governance

- Consider an advisory group or steering committee that includes representatives from management, HR, clinicians, administration, finance, and Medicare Local/s
- Consider clinical governance following establishment of the model/s

---

## ❑ Ensure model is vetted – with regard to the law and taxation

- *s19(2) of the Health Insurance Act 1973 (Cw)* is a key piece of legislation for MBS models (it prohibits 'double dipping')
- The *Competition and Consumer Act 2010 (Cw)* (formerly the Trades Practices Act) may be relevant regarding fair competition with private sector providers
- The *Occupational Health and Safety Act 2004 (Vic)* will be relevant regarding workplace health and safety
- Providers may wish to seek assistance or assurance from the Australian Taxation Office about the taxation implications of attracting MBS revenue, both for the organisation and individual providers

### Key Resources

- Legal advisors
- Australian Taxation Office
- Published legislation<sup>5</sup>

---

<sup>5</sup> Victorian law: [www.legislation.vic.gov.au](http://www.legislation.vic.gov.au) Commonwealth law: [www.comlaw.gov.au](http://www.comlaw.gov.au)

---

## ❏ Consult with general practice

- Involving medical practitioners – most commonly GPs – is a requirement of unlocking access to Medicare rebates. Active consultation and/or analysis of GP referrals into the services is appropriate, and discussing joint referral and feedback protocols is recommended

### Key Resources

- *Project plan template v2*<sup>2</sup>
- *Primary Health Services and General Practice: Systematic Referral Cycle (fact sheet)*<sup>6</sup>
- Department of Health's *Working with General Practice* website<sup>7</sup>

---

## ❏ Complete the project plan and budget and seek endorsement within your agency to proceed

### Key Resources

- *Project plan template v2*<sup>2</sup>

---

## ❏ Secure human resources, apply for provider numbers and register to do business online with Medicare

- Depending on the service model, consider addenda to current salaried providers' contracts (salaried models); new employment agreements (percentage split models); rental agreements (rooms for rent models); and agreements with external organisations or providers
- Each provider attracting MBS rebates will require a Medicare provider number for each site (address) from which they are providing services
- By doing business online with Medicare you can lodge a variety of billing claims and perform online patient verification and entitlement checking

### Key Resources

- *Example addendum to employee contract for salaried model*<sup>8</sup>
- *Medicare Australia – about doing business online website*<sup>9</sup>
- *Medicare Australia – apply and register to do business website*<sup>10</sup>

---

<sup>6</sup> West Vic Division of General Practice. 2011. *Primary Health Services and General Practice; systematic referral cycle*. Published at [www.health.vic.gov.au/pch/gpp/private\\_providers.htm](http://www.health.vic.gov.au/pch/gpp/private_providers.htm)

<sup>7</sup> [www.health.vic.gov.au/pch/gpp/working/index.htm](http://www.health.vic.gov.au/pch/gpp/working/index.htm)

<sup>8</sup> Contact Judith Perkins, Program and Service Advisor, Department of Health Grampians Region, [judith.perkins@health.vic.gov.au](mailto:judith.perkins@health.vic.gov.au)

<sup>9</sup> [www.medicareaustralia.gov.au/provider/business/online/index.jsp](http://www.medicareaustralia.gov.au/provider/business/online/index.jsp)

<sup>10</sup> [www.medicareaustralia.gov.au/provider/business/apply/index.jsp](http://www.medicareaustralia.gov.au/provider/business/apply/index.jsp)

---

## ❑ Set up billing policies, processes, hardware and software

- Learn about Medicare billing processes and options
- Consider Medicare billing options for clients (bulk-billing, private billing) and how these align with existing billing policies
- Develop internal systems for recording which services are funded by the MBS in the client administration system; recording and reporting Medicare income streams; and reconciling MBS claims and income
- Develop a system for verifying patient eligibility for an MBS-funded services when they present at administration e.g. through Online services, or by phoning Medicare 132 150
- Obtain Medicare stationary and billing hardware (e.g. EFTPOS terminal or paper-based forms, Medicare signage)

### Key Resources

- *Medicare Australia – billing and payments website*<sup>11</sup>
- *Mediguide 2007 – a comprehensive guide to the Medicare claiming system and other health programs administered by Medicare Australia (no longer published)*<sup>12</sup>
- *Medicare Australia – about doing business online website*<sup>9</sup>
- *Medicare forms and stationary website*<sup>13</sup>

---

## ❑ Assess Medicare-related knowledge of providers and administrative staff, and provide training if necessary

- Providers and administrative staff will need to:
  - Understand the rules associated with claiming a particular item number
  - Understand Medicare billing processes
  - Clearly describe the system to clients

### Key Resources

- *Medicare Australia – billing and payments website*<sup>11</sup>
- *Allied health rebates through GP care plans (fact sheet)*<sup>14</sup>
- *Department of Health – MBS flipchart*<sup>15</sup>
- *Medicare Local support*

---

## ❑ Set a start date and market the service to clients

---

## ❑ Monitor financial viability

- Use a budget to monitor income (income from Medicare for bulk-billed claims, and income from clients for 'private' billed claims) against expenditure over time

---

<sup>11</sup> [www.medicareaustralia.gov.au/provider/business/payments/index.jsp](http://www.medicareaustralia.gov.au/provider/business/payments/index.jsp)

<sup>12</sup> [www.nevdgp.org.au/files/primarycaresupport/enhancedprimarycare/mediguide\\_2007\\_complete.pdf](http://www.nevdgp.org.au/files/primarycaresupport/enhancedprimarycare/mediguide_2007_complete.pdf)

<sup>13</sup> [www.medicareaustralia.gov.au/provider/pubs/medicare-forms/index.jsp](http://www.medicareaustralia.gov.au/provider/pubs/medicare-forms/index.jsp)

<sup>14</sup> impetus™. 2010. Allied health rebates through GP care plans. Published at [www.health.vic.gov.au/pch/gpp/private\\_providers.htm](http://www.health.vic.gov.au/pch/gpp/private_providers.htm)

<sup>15</sup> <http://docs.health.vic.gov.au/docs/doc/MBS-flipchart>