

MBS Item Numbers About Medicare

About Medicare

Medicare was introduced by the Commonwealth Government in 1984 to provide eligible Australian residents with affordable, accessible and high quality health care. Medicare is based on the understanding that all Australians should contribute to the cost of health care according to their ability to pay. It is financed through progressive income tax and an income-related Medicare levy.

The professional services that attract Medicare benefits are listed in four schedules. The schedules are:

- Medicare benefits (includes oral and maxillofacial surgery)
- Optometrical
- Cleft lip and cleft palate
- Allied health and dental services

The schedule fees for items are uniform across Australia and are determined by the Commonwealth in consultation with professional bodies. Benefits are based on a percentage of the schedule fee for each service as listed in the Medical Benefits Schedule (MBS). Practitioners may elect to privately bill the patient (the patient can then seek a reimbursement from Medicare) or to bulk bill Medicare. Many practitioners elect to bulk bill those who may not be able to afford a gap, while privately billing others.

Medicare benefits are paid for professional services provided by doctors, some dentists, optometrists and eligible allied health professionals. A professional service must be necessary for the management of the patient's medical condition and must be clinically relevant. A clinically relevant service is a service provided by a doctor, approved dentist, optometrist or eligible allied health professional that is generally accepted in the medical, dental, optometrical or the relevant allied health profession as being necessary for appropriate treatment of the patient. For benefits to be payable, practitioners must have face-to-face consultations with their patients.

Mediguide is a booklet updated annually by Medicare Australia that explains the Medicare system and other Medicare Australia programs. It can be accessed at

www.medicareaustralia.gov.au/providers/publications_guidelines/mediguide.shtml