

**Distribution:** Public Hospitals

**Subject:** Fees for Pharmaceutical Benefits Safety Net Scheme (PBS)

**Purpose:** To advise hospitals of an increase in the concessional payment.

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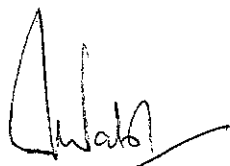
The Commonwealth has recently advised that there has been an increase in the co-payment made by concessional patients under the Pharmaceutical Benefits Safety Net Scheme (PBS). The payment has been increased due to indexation from \$2.60 to \$2.70.

Accordingly, the joint safety net recordable payment for concessional beneficiaries also increases from \$135.20 per calendar year to \$140.40 per calendar year.

Hospitals are advised that they may record \$2.70 for every eligible supply to concessional patients from 1 January 1996.

Fees for non-concessional patients remain unchanged however, the safety net threshold has increased to \$600 per calendar year.

Please find attached updates of the pages relevant to pharmaceutical fees for insertion in the *Fees and Charges for Acute Health Services in Victoria: A Handbook for Public Hospitals*. These pages replace the existing pages 2 and 3 in the section for Fees for Non-Admitted Patients.



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## Pharmaceutical Fees

The following charges apply to all *Pharmaceutical Benefits Scheme* items (other than those items dispensed after reaching the safety net threshold) dispensed to non-admitted patients, including nursing home and hostel residents.

	Patient Contribution Per Prescription Item
General Patients	\$13.50
Concessional Beneficiaries	\$2.70

## Pharmaceutical Benefits Safety Net Scheme

The Pharmaceutical Benefits Safety Net Scheme is a joint Commonwealth/State arrangement which subsidises the purchase of Pharmaceutical Benefits Scheme (PBS) medicines supplied through pharmacies in the community, acute geriatric hospital services and public hospitals.

### Safety Net Threshold

The Scheme requires a patient to record the purchase of PBS items on a Prescription Record Form (PRF). When a certain monetary value is reached (the safety net threshold), the patient qualifies for further PBS items at either a concessional price (general patients) or for free (concessional beneficiaries). The safety net threshold may be reached by the accumulation of prescriptions purchased through pharmacies in the community, acute geriatric hospital services and public hospitals. Consequently, it is important that public hospital and acute geriatric hospital services pharmacies count patient payments for pharmaceuticals purchased from community pharmacies when applying the safety net thresholds.

Patients qualify for the safety net after their expenditure has reached the following levels within the calendar year:

General patients:	\$600.00	Expenditure to this level entitles the family to pay for further items at the concessional rate of \$2.70 per PBS item (issue of blue Concession Card).
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Concessional Beneficiaries:            \$140.40            per calendar year after which all  
PBS items are free (issue of pink  
Entitlement Card)

### **Concessional Beneficiaries**

The following cards should be recognised for the purpose of concessional benefits:

Health Insurance Commission:        Safety Net Concession Card

Department of Social Security:      Health Benefits Card  
Pensioner Health Benefits Card  
Health Care Card

Department of Veterans' Affairs:    Department of Veteran's Affairs Gold Card  
Specific Treatment Entitlement Card (white)

### **Child Disability Allowance**

Children in respect of whom a child disability allowance is paid are entitled to pharmaceutical benefits at concessional rates. The following applies:

- . Two or more such children do not constitute a family on their own;
- . Each child may elect to have a safety net entitlement in their own right; and
- . A family may elect for the eligible child or children to receive pharmaceutical benefits at the concessional rate and have such payments counted towards the family's general beneficiary threshold level.

The family may defer such a decision until sufficient payments have been recorded to make a decision to their advantage.

*Date of effect:*                    1 January 1996

*Reference:*                        Circular No. 2/1996 issued 30 January 1996