

ARRANGEMENTS FOR PAYMENTS TO MEDICARE AUSTRALIA

This operational instruction outlines the procedures for the Scheme Agent to follow to reduce unnecessary administration, and payments to Medicare. The Scheme Agent currently issues an advanced payment of 10% of any section 66 payments to Medicare when the settlement exceeds \$5000. Discussions with Medicare indicate that this is unnecessary. Under this operational instruction, the Scheme Agent is required to proactively identify Claims where medical services for a work related Injury may have been paid by Medicare and initiate a Medicare "Notice of Past Benefits" to determine the exact amount paid.

The following procedures have been developed following discussions with Medicare and are designed to:

- Avoid delays in Workers receiving their full statutory entitlement for lump sum compensation under section 66 of the Workers compensation Act 1987,
- Reduce unnecessary administrative processes caused by the practice of forwarding 10% of a Worker's lump sum compensation to Medicare, with Medicare having to refund it when they ascertain that no refund is payable to Medicare.

1. Action when a Claim for a lump sum payment likely to be for more than \$5000 is initiated e.g. permanent impairment, Commutation, Work Injury Damages and no payments are owed to Medicare.

If at the time such a Claim is initiated, a Worker indicates that either:

- a. No Medicare benefits have ever been paid in relation to the compensable Injury or,
- b. No Medicare benefits have been paid in relation to the compensable Injury since the last Medicare Notice of Past Benefits was issued.

The Scheme Agent should first consider whether this is consistent with the history of the Claim.

The Worker should then be asked to complete a **Section 23A Statement and Statutory Declaration** (Attachment 1). This is to be forwarded to Medicare Australia with a **Medicare Notice of Judgement or Settlement** (Attachment 2) at the time of determining the Claim. Full payment can then be made to the Worker.

2. Initiating a Medicare Notice of Past Benefits.

A **Medicare Notice of Past Benefits** is to be initiated at the points in a Claim when a lump sum payment greater than \$5000 is likely and when the history of the Claim indicates that medical services for a work related Injury might have been paid by Medicare Australia. Some possible examples include:

- a. When a decision to dispute a Claim or issue a reasonable excuse is reconsidered and the Claim is accepted.
- b. When an application for dispute resolution has been lodged with the Worker Compensation Commission.
- c. When a lump sum payment that is likely to be more than \$5000 is initiated (e.g. permanent impairment) and the Scheme Agent believes that Medicare could have paid medical services as the history of the Claim includes periods where liability was not accepted.
- d. When determining a "Nature and Conditions" Claim.

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3. How to Initiate a Medicare Notice of Past Benefits

- The Scheme Agent is to ask the injured Worker to complete a **Request for a Medicare History Statement** form (Attachment 3). The Scheme Agent then forwards this form to:

Compensation Recovery Program
Medicare Australia
GPO Box 4104
SYDNEY NSW 2001

- Medicare will send the injured Worker a Medicare History Statement, which the Worker returns to Medicare having identified the services relating to the compensable Injury. If no response is received from the injured Worker, Medicare will deem that all the Medicare services relate to the Injury.
- The information on the Medicare History Statement can only be released to the Scheme Agent where an Authority to Release Information (Attachment 4) has been signed by the Worker.
- The Scheme Agent should facilitate the completion of the Medicare History Statement by the injured Worker or their representative, indicating that failure to do so will result in 10% of any settlement being forwarded to Medicare as an advance payment.
- Medicare then sends a Medicare Notice of Past Benefits to the Scheme Agent for payment as a medical cost once settlement on the Claim is reached. The Notice of Past Benefits is valid for six months. If this expires before settlement, another Medicare History Statement must be requested from Medicare Australia prior to finalisation of settlement.
- The Medicare Notice of Past Benefits becomes a Medicare Notice of Charge once settlement is reached.
- The Notice of Judgement or Settlement is to be sent to Medicare within 28 days of the judgement or settlement being made on the Claim.

4. How to make payments to Medicare Australia.

Payments made to Medicare in response to a **Notice of Past Benefits** are to be made via Electronic Funds Transfer. All deposits should be made to:

Bank:	Reserve Bank of Australia
Account Name:	Medicare Australia Official Recovery of Compensation for Health Care and Other Services Account
BSB:	092-009
Account Number:	922351
ABN:	751 74030967

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EFT Deposit Details - Additional Information

With each EFT deposit Medicare requires the following mandatory information:

If A Medicare Australia reference number is available:

- Medicare Australia Reference; and
- Claim number; and
- Claimant's full name; and
- Amount of deposit; and
- Date of deposit; and
- Date of Injury

If you are unaware of Medicare Australia's reference number, the following information must be supplied:

- Claimant's full name; and
- Date of birth; and
- Address; and
- Claim number; and
- Amount of deposit; and
- Date of deposit; and
- Date of Injury; and
- Is the claimant an Australian resident?

All insurer deposits should be accompanied by a remittance advice including the Medicare Reference Number listed on the **Notice of Past Benefits** as the invoice number. This is to be sent on the same day as the deposit by email to compensation.finance@medicareaustralia.gov.au or fax (07) 3004 5010.

Attachment 1 – Section 23A Statement and Statutory Declaration

Attachment 2 – Notice of Judgment or Settlement

Attachment 3 – Request for a Medicare History Statement

Attachment 4 – Authority to Release Information – Compensation Recovery Program

References

Operational Instruction 3.6 – Remittance Advices

Health and Other services (Compensation) Act Cth 1995

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