

Life is full of surprises, but the **cost of your medical treatment** shouldn't be one of them.

You have a right to **ask your doctor** about his or her fees, as well as the fees of other doctors involved in your care.

It's also important to check with your **health fund provider** about what your policy covers you for and if you should expect additional costs.

HOW MUCH WILL I PAY?

The chart below explains how much you will be out of pocket, depending on whether your doctor charges a fee above the **no-gap or known-gap** scheme amounts set by your insurer.

WILL YOU BE OUT OF POCKET \$0, OR MORE?					
Doctor's fee description	Doctor's fee (eg.)	Medicare pays	Insurer pays	You pay (\$)	Why?
Up to or equal to MBS	\$1000	\$750	\$250	0	You are fully covered because Medicare pays 75% of the MBS and your insurer pays 25%.
Up to or equal to the Insurer's no-gap threshold*	\$1500	\$750	\$750	0	You are fully covered because Medicare pays 75% of the MBS and your insurer pays the rest.
Equal to the Insurer's known-gap threshold *	\$2000	\$750	\$750	\$500	You have to pay \$500, Medicare pays 75% of the MBS and your insurer pays the rest.
Greater than the Insurer's known-gap threshold**	\$2001	\$750	\$250	\$1001	Medicare pays 75% of the MBS, your insurer pays 25% of the MBS and you pay the rest.

* If the doctor participates in your insurer's no-gap or known-gap scheme

** Or if the doctor does not participate in a gap scheme and the cost is over the MBS

HOW MUCH WILL IT COST?



YOUR
GUIDE TO FEES
FOR YOUR
TREATMENT



Australian Medical Association (NSW) Ltd

AMA House, Level 6, 69 Christie Street, St Leonards NSW 2065

PO Box 121, St Leonards NSW 1590

t: 02 9439 8822 | f: 02 9438 3760 | e: enquiries@amansw.com.au

www.amansw.com.au



1. HOW MUCH WILL MY MEDICAL SERVICE COST?



Nobody likes surprises when it comes to paying bills. You can avoid unexpected fees by asking your doctor to provide detailed information about the potential costs for your medical service.

2. WHAT IS INFORMED FINANCIAL CONSENT?



Informed financial consent is information provided by your doctor about the full cost of the medical service to be performed, Medicare rebates and private health insurance benefits that apply, and whether you may pay a gap.

3. WHAT OTHER INFORMATION SHOULD THIS INCLUDE?



Informed financial consent should include: details of the proposed procedure, including hospital, admission date, procedure details such as Medicare Benefits Schedule item numbers, and a description and fee for each item. As well, it should include **other medical services** to be provided by specialists such as an anaesthetist, assistant surgeon, pathology and radiology, including their estimate of fee. Depending on the procedure you are having, you should be made aware of any prosthetics that may be required, the fee for these, and any benefits from your health fund.

4. WHEN SHOULD YOU GET INFORMED FINANCIAL CONSENT?



The best time to discuss costs with your treating doctor is **before you go into hospital**. Ask your doctor to provide a breakdown of the costs in writing. Your doctor can only estimate the cost of your in-hospital or day surgery elective procedure in advance.

5. WHY DOESN'T MEDICARE COVER THE FULL COST OF MY PROCEDURE?



The Government sets the rebates for medical services in the Medicare Benefits Schedule (MBS). When you have hospital treatment as a private patient **Medicare will pay 75%** of the MBS fee and your **private health insurer will pay 25%**. Gaps occur when your specialist and other doctors involved in your care charge more than the Medicare rebate. Your insurer may pay more than 25% of the MBS fee if your doctor participates in its no-gap scheme arrangements. If your doctor does participate in the insurer's no-gap scheme arrangements, you will have no gap to pay. If your doctor doesn't, then you will be required to pay a gap fee.

OUT-OF-HOSPITAL MEDICAL SERVICES

Medicare pays a benefit of 85% of the MBS fee for out-of-hospital services. Health insurers do not pay any benefits for out-patient (out-of-hospital) medical services. These services can include visiting your doctor or specialist in their rooms, or having radiology or pathology tests. The doctor or service provider may bulk bill. If the doctor does not bulk bill, you pay the difference between what Medicare pays and the doctor's fee.

6. WHY DOES MY DOCTOR CHARGE A FEE?



In recent years, Governments have **not increased Medicare rebates** in line with indexation. So while the costs of running a medical practice have increased, reimbursement has not. The costs of running a practice varies across the country and includes employing practice staff and operating expenses such as computers, rent, electricity, general insurance and professional insurance. As a result, some doctors need to charge a fee above the MBS. As well, some doctors offer different levels of services, or undergo additional training so feel it is appropriate to charge a fee that is commensurate with that.

7. WHAT IS THE AMA FEES LIST?



The AMA publishes the List of Medical Services and Fees annually to its members. Unlike the MBS, the list is indexed to the Consumer Price Index and is more reflective of the cost of providing care. **It is a guide only** and your doctor may charge above or below the AMA Fees List.

8. CAN I BE CHARGED AN UPFRONT FEE?



Your doctor may choose to charge an upfront fee as a down payment on the services to be provided. You should check with your doctor which services the upfront fee covers, and what other charges you may have to pay after treatment. You should also clarify what **refund policies** are in place should you decide to change doctors or not undergo the medical treatment.