The Department of Health and Aged Care is Increasing Medicare Compliance Monitoring Activity

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Medicare ensures affordable and accessible healthcare is available to all Australians. For practitioners to claim benefits under Medicare, they must comply with the provisions of the Health Insurance Act 1973 (Cth) and the Medicare Benefits Schedule (MBS). These obligations include:

- only claiming for clinically relevant services;
- honestly selecting and allocating MBS item numbers for services provided;
- billing and claiming correctly;
- keeping accurate records – and being able to produce them to substantiate Medicare claims if required; and
- reporting incorrect claims to Medicare as soon as errors are detected.

Medicare compliance

The Commonwealth Department of Health and Aged Care (DoHAC) administers the Medicare system and monitors all benefits paid under the MBS. To ensure that practitioners comply with their obligations, DoHAC systematically reviews and audits practitioners' claims through compliance activities ranging from education and targeted letters, through to audits and investigations.

DoHAC sends a variety of targeted compliance letters to educate and encourage practitioners to review their billing so they can ensure it is compliant and would be considered appropriate by peers. Depending on the nature of claiming patterns or billing discussed, the letters may be accompanied by a schedule of claims or contain a description of their billing to assist practitioners review their billing.

The 80/20 rule

A practitioner is in breach of the 80/20 rule if they provide 80 or more relevant services per day for 20 or more days in a 12-month period.[i]

Breaching the 80/20 rule is deemed to be inappropriate practice and results in automatic referral to the Director of the Professional Services Review.

The stated aim of the 80/20 rule is to address over-servicing that may raise questions regarding the quality of care provided, and the impact on the welfare of that practitioner. More information about the 80/20 rule can be found here.

Practitioners at risk of breaching the 80/20 rule

Recently, DoHAC notified MIPS that it plans to re-commence sending "information letters" to practitioners who are at risk of breaching the 80/20 rule.

Practitioners who have rendered 70 or more services per day on at least 10 days between 1 November 2023 and 31 October 2024 will receive a letter informing them that they are at risk of breaching the 80/20 rule.

Practitioners who receive a letter will be asked to

- Review their servicing to ensure they meet the MBS requirements and that services provided are clinically relevant.
- Monitor the number of services rendered daily.
- Voluntarily acknowledge incorrect payments using a specific form if they identify any incorrect payments.

What you should do

MIPS strongly recommends that members contact MIPS as soon as they receive any correspondence from DoHAC in relation to their Medicare billing. Members should not speak with DoHAC unless or until they have received advice from MIPS. This ensures that MIPS can provide timely advice and protect their interests.

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You should seek legal or other professional advice before relying on any content, and practise proper clinical decision making with regard to the individual circumstances.

Information is only current at the date initially published.

If in doubt, contact our claims and 24-hour medico-legal advice and support team on 1300 698 573.

You should consider the appropriateness of the information and read the Member Handbook Combined PDS and FSG before making a decision on whether to join MIPS.