

Are you across your Medicare and PBS compliance obligations?

Reading time:

MIPS Admin

Date created: 16/06/2026

In its **Health Provider Compliance Priorities for 2026**, the Department of Health, Disability and Ageing (DoHDA) has signalled increased scrutiny across Medicare Benefits Schedule (MBS) billing and Pharmaceutical Benefits Scheme (PBS) prescribing this year. While most non-compliance is unintentional, the consequences of getting it wrong can be significant. Understanding where regulators are focused is the first step to protecting your practice.

The current focus areas

DoHDA has identified four priority areas for compliance activity this year that are relevant to MIPS members:

- **Telehealth.** On-demand telehealth platforms are under particular scrutiny, with DoHDA concerned about opportunistic or inappropriate claiming and commercial incentives that may conflict with clinical best practice, continuity of care and patient safety. Practitioners prescribing under the PBS or claiming MBS benefits via telehealth carry the same obligations as those who do so in face-to-face settings, and should ensure their prescribing and billing remain compliant. Ahpra has produced Guidelines for telehealth consultations with patients.
- **Care and management plans.** Despite recent changes to the item numbers and requirements for billing chronic condition management plans under the MBS, DoHDA is monitoring the claiming of chronic disease management items to better understand compliance patterns and ensure MBS sustainability. Practitioners should ensure plans are completed, documented, and meet current MBS criteria before billing. Guidance from Services Australia is available [here](#).
- **Claiming MBS services while overseas.** Medicare benefits are only payable for services performed and supervised in Australia. DoHDA is data-matching Home Affairs movement records against MBS claims to identify non-compliant claiming. For more information, please read our article on [Overseas Medicare billing – increased compliance monitoring](#).
- **Inappropriate claiming of PBS medicines.** DoHDA is targeting high-cost medicines, early supply of PBS medicines, and discrepancies between pharmaceutical sponsor supplies and PBS claims. A practical example is GLP-1 receptor agonists, which are PBS-listed for type 2 diabetes but not for obesity. Prescribing these privately when the PBS indication is not met is essential to avoid inappropriate claiming. Services Australia is able to match data relating to a patient's MBS and PBS history, meaning that they can establish whether a prescription meets PBS criteria. For example, in the case of semaglutide, Services Australia may be able to flag patients who have been supplied semaglutide under the PBS in the absence of: an HbA1c test; an HbA1c test in the diabetic range; or concomitant treatment with metformin.

Enduring priorities

Alongside the 2026 focus areas, DoHDA has identified enduring priorities that attract ongoing compliance resources. These include preventing fraud, ensuring bulk billing obligations are met (noting that charging a co-payment or membership fee when bulk billing is a breach of the Health Insurance Act 1973 (Cth)), safeguarding medically necessary services, and maintaining Medicare sustainability.

What to do if you receive compliance correspondence

DoHDA uses a range of compliance tools, from education letters and targeted correspondence through to audits and referral to the Professional Services Review. Receiving a letter does not necessarily indicate wrongdoing, but it does require a prompt and considered response.

MIPS strongly recommends that members contact us as soon as they receive any correspondence from DoHDA or Services Australia relating to their MBS or PBS claiming. Members should not respond unless or until they have received advice from MIPS.

References:

1. Department of Health, Disability and Ageing. Health Provider Compliance Priorities 2026. Available at: <https://www.health.gov.au/resources/publications/health-provider-compliance-priorities-2026>

2. Department of Health, Disability and Ageing. Current Medicare compliance activities. Available at: <https://www.health.gov.au/topics/medicare/compliance/current-activities>
3. DoHDA reveals 2026 compliance watchlist. newsGP. Available at: <https://www1.racgp.org.au/newsgp/professional/dohda-reveals-2026-compliance-watchlist>

Medical Indemnity Protection Society ABN 64 007 067 281 | AFSL 301912

All information on this page is of a general nature only and is not intended to be relied upon as, nor to be a substitute for, specific legal or other professional advice. No responsibility for the loss occasioned to any person acting on or refraining from action as a result of any material published can or will be accepted by MIPS.

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.
