



FUNCTIONS

Legislative Framework

The Health Insurance Commission (HIC) is a statutory authority established by the *Health Insurance Commission Act 1973* (HIC Act). Our functions include:

- > paying Medicare benefits as provided for in the *Health Insurance Act 1973* and undertaking all administrative activities necessary to ensure the effective performance of this function (authorised by the HIC Act)
- > paying pharmaceutical benefits and undertaking all administrative activities necessary to ensure the effective performance of this function (subject to the *National Health Act 1953* and authorised by the HIC Act and regulations)
- > preventing and detecting the occurrence of fraud and inappropriate servicing with respect to the payment of benefits under the programs administered by HIC (authorised by the HIC Act and regulations)
- > administering the Compensation Recovery Program (under the provisions of the *Health and Other Services (Compensation) Act 1995*)
- > administering the Federal Government 30% Private Health Insurance Rebate (under the provisions of the *Private Health Insurance Incentives Act 1998*)
- > maintaining and administering the Australian Organ Donor Register (authorised by an arrangement made under section 7 of the HIC Act)
- > maintaining and administering the Australian Childhood Immunisation Register (under the provisions of the *Health Insurance Act 1973*)
- > undertaking all administrative activities under the General Practice Immunisation Incentives Scheme, the Practice Incentives Program, the General Practice Registrars' Rural Incentive Payments Scheme and the Rural Retention Program (authorised by arrangements made under section 7 of the HIC Act)
- > delivering services as part of the Family Assistance Office
- > providing services for the processing of the Department of Veterans' Affairs treatment accounts and Australian Hearing Services (authorised by regulations to the HIC Act)
- > administering the Incurred But Not Reported (IBNR) Indemnity scheme and High Cost Claim Indemnity Scheme (under the provisions of the *Medical Indemnity Act 2002*, *Medical Indemnity (IBNR Indemnity) Contribution Act 2002*, the *Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002*, and the *Medical Indemnity (Consequential Amendment) Act 2002*)
- > undertaking the Prescription Shopping Project (authorised by a Ministerial determination made under subsection 8AA(4) of the HIC Act)
- > providing ex-gratia payments for victims and family members of victims of the Bali terrorist attacks on October 2002.

The HIC Act determines the constitution of the Board of Commissioners, appointment of the Managing Director, HIC staffing and financial arrangements. It provides the commission's ability to delegate powers and the HIC's reporting requirements. The Act also permits us to operate outside Australia and to form companies.

The Health Insurance Commission is a non-government business entity Commonwealth authority under the *Commonwealth Authorities and Companies Act 1997* (CAC Act), which provides our general governance, reporting and accountability framework and imposes a detailed regime for the conduct of officers.

RESPONSIBLE MINISTER

The minister responsible for the HIC was the Honourable Tony Abbott MP, Minister for Health and Ageing.

DIRECTIONS BY THE MINISTER

Under section 8J of the HIC Act, the minister may give us written directions. This power was not exercised during 2003–04.

NOTIFICATIONS OF GENERAL POLICY OF GOVERNMENT

Under section 28 of the *Commonwealth Authorities and Companies Act 1997*, we were not notified of any general policies of the government during the financial year.

DELEGATIONS

We operate our business in accordance with a number of instruments of delegation. These include the financial and human resources delegations made under the HIC Act and delegations under other relevant health legislation, including (but not limited to) the Health Insurance Act, the National Health Act, the Health and Other Services (Compensation) Act, the Private Health Insurance Incentives Act and the Medical Indemnity Act.

Instruments of delegation specific to HIC officers have been made by the Minister for Health and Ageing, the Commission, the Managing Director and the Secretary of the Department of Health and Ageing and are updated as and when required.

Statutory report under section 42 of the HIC Act 2003–04

ACTION	SECTION	NO.
Instruments appointing an HIC officer as an authorised person	8M	10
Notices requiring information from non-patients	8P	72
Notices requiring information from patients	8P	26
Searches of premises for the purpose of monitoring compliance	8U	1
Occasions during searches when powers were used	8V	9
Searches of premises and seizure of evidential material	8X	17
Search warrants issued in relation to possible offences	8Y	27
Search warrants issued by telephone or other electronic means	8Z	0
Patients advised in writing of the seizure of their clinical records	8ZN	916

Where records are taken from a medical practitioner, patients whose details are included in those records are issued with a section 8ZN notice advising that the records have been obtained (see above table). The notice does not imply the patient is under investigation.

Below is a list of the type of cases in which these powers were used during 2003–04.

Use of powers of investigation 2003–04

TYPE OF CASE	NO.
Medical practitioners	
Magnetic resonance imaging	0
Diagnostic imaging	0
Pathologists	0
Pharmacists	7
General practitioners	6
Optometrists	0
Psychiatrists	0
Other specialists	1
Members of the general public	
Benefit claims	1
Prescription drug smuggling	0

PROSECUTIONS

The prosecuted cases involved benefits claimed for services not rendered, rendered other than as claimed, or itemised for payment when the service was not payable.

Summary of prosecutions 2003–04

PROSECUTIONS	NO.
Members of the public for offences against Medicare	47
Medical practitioners for offences against Medicare	9

JUDICIAL DECISIONS AND REVIEWS

Judicial decisions and decisions of administrative tribunals that had (or may have) a significant impact on our operations from 1 July 2003 to 30 June 2004 are summarised here.

Professional Services Review Scheme litigation

DANIEL V KELLY & ORS; KELLY & ORS V DANIEL

Dr Daniel sought judicial review of, among other things, the HIC's decision to refer him to the Director of Professional Services Review (DPSR) for breach of the 80/20 rule.

On 28 July 2003 the Federal Court held that the HIC referral was invalid because it failed to take into account Dr Daniel's prior counselling history.

On 6 February 2004 the Full Federal Court dismissed an appeal by DPSR and the HIC. The Full Court expressed concern about the seemingly 'automatic' process by which a practitioner who breached the 80/20 rule was referred to the DPSR and then to the PSR Committee.

Two subsequent Federal Court decisions have qualified the Daniel decision. On 19 April 2004, in *Freeman v HIC*, the Federal Court said that ‘automatic’ referrals are not necessarily invalid—there must be something more. On 28 April 2004, in *Crowley v Holmes*, the Federal Court endorsed the decision in the *Freeman* case when it rejected an attempt by Dr Crowley to restrain a PSR committee from hearing his case.

There are 12 other Federal Court matters ‘on foot’ that may test these rulings.

CROWLEY V HOLMES & ORS

On 21 August 2003 the Full Federal Court dismissed an appeal by Dr Crowley against an earlier decision by North J on 18 December 2002. On 13 February 2004 the High Court refused an application for special leave to appeal the decision of the Full Court.

This case related to whether material in an investigative referral and an adjudicative referral relating to past conduct of the doctor invalidated those referrals. It also raised the question of whether this material resulted in bias on the part of the Professional Services Review Committee established under Part VAA of the *Health Insurance Act 1973* to consider the adjudicative referral.

Dr Crowley subsequently commenced new proceedings relying on the decision in *Daniel* (see above). These proceedings were still ‘on foot’ at 30 June 2004.

Magnetic Resonance Imaging (MRI) eligibility litigation

There are two matters currently before the Federal Court challenging decisions by the HIC regarding the eligibility of MRI machines to attract Medicare benefits. These decisions may impact on our interpretation of the term ‘contract in writing’ in the relevant regulations under the *Health Insurance Act 1973* governing the eligibility of MRI machines for the purposes of Medicare benefits.

SYDNEY X-RAY V HEALTH INSURANCE COMMISSION

This case was heard on 18 and 20 February 2004 and judgment was reserved.

CLARE V HEALTH INSURANCE COMMISSION

On 11 November 2003 the Federal Court ordered the HIC to give discovery of certain categories of documents relevant to these proceedings. A hearing date has yet to be set down.

Other litigation

MEDTEST PTY LTD V MEDICARE PARTICIPATION REVIEW COMMITTEE AND HEALTH INSURANCE COMMISSION

On 23 December 2003 the Administrative Appeals Tribunal (AAT), overturning a decision of the Medicare Participation Review Committee (MPRC), found that Medtest’s refusal to allow an inspection of its laboratory premises did not constitute a breach of its Approved Pathology Authority undertaking.

The HIC appealed the AAT decision. The appeal was heard by the Full Federal Court on 19 May 2004. Judgment has been reserved.

The Full Court’s decision will clarify the HIC’s powers to enter and inspect a pathology laboratory’s premises and the assessment of penalty for breach of an undertaking.

ROGERS AND PRIOR V HIC

On 30 April 2004, the Federal Court (Spender J.) dismissed an appeal by Messrs Rogers and Prior from a decision of the AAT upholding the HIC's decision to cancel a section 90 approval where the pharmacists holding the approval were not trading, as required under the National Health Act. This matter tested and confirmed the scope of our powers to cancel the approvals of pharmacists who are not trading at approved premises.

HIC V TRUSTEE IN BANKRUPTCY OF THE ESTATE OF DR IOAKIM ALEKOZOGLOU

On 13 August 2003, the Federal Court allowed the HIC to recover from Dr Alekozoglou, despite Dr Alekozoglou's bankruptcy. This decision confirms the HIC's capacity to recover from a debtor where the debt arises prior to the debtors' bankruptcy.

Ombudsman

Between 1 July 2003 and 30 June 2004, the Commonwealth Ombudsman received 137 complaints about HIC. The following table shows that there were 131 complaints covering 145 issues finalised by the Ombudsman's Office.

ISSUES IDENTIFIED BY THE COMMONWEALTH OMBUDSMAN □ 2003-04	NO.
Closed/finalised complaints by Ombudsman	131
Closed/finalised issues by Ombudsman	145
Discretion exercised by Ombudsman	87
> withdrawn/lapsed	5
Investigated by Ombudsman	58
> no defect found	28
> agency defect found	3
> no need to investigate further	27

SECRECY PROVISIONS AND PRIVACY LEGISLATION

Section 130 of the *Health Insurance Act 1973* and section 135A of the *National Health Act 1953* provide for the confidentiality of information we obtain in performing our functions.

These provisions make it an offence for an HIC officer to disclose information about a person except in the performance of their duties under the relevant Act. The secrecy provisions also provide specific powers enabling the release of personal information in certain circumstances. For example, information may be released to state health regulatory authorities, such as medical and pharmaceutical boards, in relation to matters affecting the registration of professional health providers.

There is also provision under section 130(3) of the Health Insurance Act and section 135A(3) of the National Health Act for the minister, or an HIC officer to whom this authority is delegated, to certify that it is in the public interest for information to be released.

Section 135AA of the National Health Act, and associated guidelines issued by the Privacy Commissioner, provide for limits on the maintenance and storage of claims information and the separation of Medicare and PBS databases.

Privacy Act

The HIC is subject to the *Privacy Act 1988*, which regulates the collection, handling and use of personal information by most Australian Government agencies. In accordance with the Privacy Act, we submit annual returns to the Privacy Commissioner listing the types and use of information we hold. The Privacy Commissioner has audited our compliance with the Privacy Act and has found our procedures to be satisfactory.

We did not receive any complaints under the Privacy Act from the Office of the Federal Privacy Commissioner. We did receive four complaints about the use and disclosure of personal information we hold: of these, one has been resolved, two are ongoing and one was unsubstantiated. One complaint that was carried over from 2002–03 has also been resolved.

OCCUPATIONAL HEALTH AND SAFETY REPORT

Under section 74 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (OH&S Act), we are required to report on occupational health and safety incidents that occurred during the year. This information is provided in the table below.

Statutory report under section 74 of the OH&S Act

ACTION	NO.
Deaths that required notice under section 68	0
Accidents that required notice under section 68 (7 SPI + 6 incapacities)	13
Dangerous occurrences that required notice under section 68	9
Investigations conducted under Part 4	1
Tests on plant, substance, or thing in the course of investigations considered	0
Directions given to HIC under section 45 (that the workplace etc. not be disturbed)	0
Notices given to HIC under section 30 (requests from health and safety representatives)	0
Notices given to HIC under section 46 (prohibition notice)	0
Notices given to HIC under section 47 (improvement notice)	0

APPENDIX B FREEDOM OF INFORMATION



B

As a prescribed authority under the *Freedom of Information Act 1982* (FOI Act), we are required to publish in our annual report information about the way we are organised, our functions and powers, the categories of documents we hold and how the public can access them. Also included in this report are FOI statistics for the financial year.

ORGANISATION, FUNCTIONS AND POWERS

Organisation

Our organisational structure chart appears in chapter 2.1.

Functions and powers

A description of our functions and powers as required by section 8 of the FOI Act is detailed in appendix A.

LIST OF DOCUMENTS WE HOLD

We have produced brochures explaining:

- > the Medicare program
- > the Pharmaceutical Benefits Scheme
- > the Australian Childhood Immunisation Register
- > the Compensation Recovery Program
- > the Federal Government 30% Private Health Insurance Rebate
- > the Australian Organ Donor Register
- > the Family Assistance Office.

These brochures are available free of charge from Medicare offices.

Our website at www.hic.gov.au features publicly available publications and forms that can be viewed or downloaded.

In accordance with section 9 of the FOI Act, we hold the following types of documents, although they are subject to the exemption provisions of the FOI Act:

- > administration and policy files
- > agendas, minutes and records of meetings of various internal and external committees and tribunals
- > agendas, minutes and submissions for Commission meetings
- > applications for approval as an accredited orthodontist
- > applications for approval as a dentist or dental practitioner
- > applications for recognition as a specialist or consultant physician
- > applications for recognition as a vocationally registered general practitioner
- > brochures relating to all of our operations

- > committee and tribunal files created as a result of a specific enquiry or hearing
- > committee and tribunal member appointment papers
- > computer records relating to all of our operations
- > financial budgetary documents
- > internal audit terms of reference, reports and files
- > legal advice and opinions
- > legislative documents in the form of Acts, regulations and interpretations
- > listings of approved Medicare pathology practitioners, authorities and laboratories
- > listings of certified patients for the Cleft Lip and Palate Scheme
- > listings of participating Medicare medical practitioners, dentists and optometrists
- > listings of pathology licensed collection centres and accredited pathology laboratories
- > listings of Pharmaceutical Benefits Scheme approved people and pharmaceutical prescribers
- > Medicare Benefits Schedule item rulings and interpretations
- > ministerial, Commonwealth Ombudsman and general correspondence
- > ministerial submissions
- > operation instructions, circulars and directives relating to Medicare, the Pharmaceutical Benefits Scheme, the Australian Childhood Immunisation Register, the Practice Incentives Program, the Compensation Management System, the 30% Private Health Insurance Rebate, Veterans' Treatment Accounts, the Australian Organ Donor Register, Hearing Service Payments, and Health Research and Coordinated Care Trials
- > personnel records
- > processed enrolment, registration, withdrawn forms and claims documentation relating to our operations
- > property documents, including leases, tenders and maintenance agreements
- > records created as a result of a specific complaint, enquiry or review
- > records in relation to the regulatory functions of pathology licensed collection centres and accredited pathology laboratories
- > records of contact between medical advisers and medical practitioners
- > statistical reports and analyses
- > undertakings for participating optometrists.

ACCESS TO OUR DOCUMENTS

Procedures and initial contact points

Freedom of information liaison officers in our state offices can help with initial enquiries. If people want to access our documents under the FOI Act, they should make a formal request in writing and send it, with a \$30 application fee (made payable to the HIC), to:

Freedom of Information Officer
 Health Insurance Commission
 PO Box 1001
 TUGGERANONG DC ACT 2901
 Phone (02) 6124 4608
 Fax (02) 6124 4622

Applicants may have to meet the costs associated with processing a request and providing access to documents but they can seek a reduction in the application fee.

Freedom of information standards

STANDARD	PERFORMANCE	
	2002-03	2003-04
We will acknowledge your request under the <i>Freedom of Information Act 1982</i> (FOI Act) within 14 days of receipt and respond within 30 days of receiving your request. If other parties need to be consulted, the law provides for another 30 days for a decision to be made.	One request was carried over and 14 requests were received in 2002-03. Of these, 10 decisions were made, 2 were withdrawn and 3 were carried through to 2003-04. All were acknowledged within 14 days of receipt. Of the 10 decisions, 10 were responded to within the legislated timeframes.	Three requests were carried over and 15 requests were received in 2003-04. Of these, 12 decisions were made, 5 were withdrawn and 1 was carried through to 2004-05. All were acknowledged within 14 days of receipt. Of 12 decisions, 12 were responded to within the legislated timeframes.

Freedom of information statistics

REQUESTS	NO. OR \$ AMOUNT
On hand at 30 June 2004	3
Received	15
Resolved by being:	
> withdrawn (following consultation)	5
> granted in full	1
> granted in part	5
> denied in full	6
> outstanding at 30 June 2004	1
Requests finalised in:	
> 0-30 days	7
> 31-60 days	5
> 61-90 days	0
> 91 days or more	0
Fees and levies charged	
> Application fees received	\$340.00
> Charges notified	\$1,976.90
> Charges collected	\$784.10
Internal reviews	
> Received	1
> Finalised	1
Administrative Appeals Tribunal appeals	
> Received	0
> Outstanding at 30 June 2004	0

APPENDIX C STAFFING OVERVIEW

C



Our staff are employed under the *Health Insurance Commission Act 1973*. At 30 June 2004, we employed 5,010 staff, which is 304 (or 6.45%) more than the same time last year. Of the total number, 3,929 (or 78%) were female.

Staff are located across Australia, with National Office in Canberra and a state headquarters in each state, as well as several processing centres and 226 Medicare offices.

Employee numbers at 30 June 2004

STATE	2003	2004	CHANGE
National Office	1,158	1,337	+ 15.45%
New South Wales	1,121	1,177	+ 4.99%
Victoria	882	929	+ 5.32%
Queensland	721	733	+ 1.66%
South Australia	327	318	- 2.75%
Western Australia	331	335	+ 1.20%
Tasmania	166	181	+ 9.03%
Total	4,706	5,010	+ 6.45%

Senior management, by gender

CLASSIFICATION	MALE	FEMALE	TOTAL
Senior professional staff*	55	26	81
Total	55	26	81

* This includes all senior executives and medical advisers

Employee numbers, by gender and location at 30 June 2004

STATE	MALE	FEMALE	TOTAL
National Office	612	725	1,337
New South Wales	140	1,037	1,177
Victoria	116	813	929
Queensland	95	638	733
South Australia	39	279	318
Western Australia	49	286	335
Tasmania	30	151	181
Total	1,081	3,929	5,010

Staffing, by classification and location

CLASSIFICATION	NATIONAL OFFICE	NSW	QLD	SA	TAS	VIC	WA	TOTAL
HIC 1	12	117	41	31	26	182	24	433
HIC 2	10	56	59	29	15	58	33	260
HIC 3	60	716	455	177	85	470	191	2,154
HIC 4	117	64	35	19	12	53	20	320
HIC 5	160	146	90	37	19	107	38	597
HIC 6	304	36	21	9	6	26	8	410
HIC 7	391	34	24	13	15	23	16	516
HIC 8	228	2	2	0	0	2	0	234
LEG 1	2	0	0	0	0	0	0	2
LEG 2	3	0	0	0	0	0	0	3
Senior executives	50	6	6	3	3	8	5	81
Total	1,337	1,177	733	318	181	929	335	5,010

Culturally and linguistically diverse (CALD) employees, by classification

CLASSIFICATION	CALD 1*	CALD 2*	TOTAL
HIC 1	38	27	65
HIC 2	15	23	38
HIC 3	257	223	480
HIC 4	33	43	76
HIC 5	32	50	82
HIC 6	54	31	85
HIC 7	87	38	90
HIC 8	15	6	21
Senior Executive Service	7	4	11
Total	538	445	983

Culturally and linguistically diverse (CALD) employees, by state

STATE	CALD 1*	CALD 2*	TOTAL
National Office	175	88	263
New South Wales	198	140	338
Queensland	29	28	57
South Australia	8	48	56
Tasmania	5	5	10
Victoria	106	100	206
Western Australia	17	36	53
Total	538	445	983

* CALD 1 are employees from a culturally and linguistically diverse background where a language other than English is spoken at home. CALD 2 employees are from a culturally and linguistically diverse background where English is spoken at home but where the parents speak a language other than English

Aboriginal or Torres Strait Islander employees, by classification and gender

CLASSIFICATION	MALE	FEMALE	TOTAL
HIC 1	3	9	12
HIC 2	1	3	4
HIC 3	0	17	17
HIC 4	0	1	1
HIC 5	1	0	1
HIC 7	1	1	2
HIC 8	0	1	1
Total	6	32	38

Aboriginal or Torres Strait Islander employees, by state and gender

STATE	MALE	FEMALE	TOTAL
National Office	3	2	5
New South Wales	3	5	8
Queensland	0	12	12
South Australia	0	3	3
Tasmania	0	2	2
Victoria	0	7	7
Western Australia	0	1	1
Total	6	32	38

Employees with a disability, by gender and classification

CLASSIFICATION	MALE	FEMALE	TOTAL
HIC 1	1	6	7
HIC 2	3	7	10
HIC 3	6	45	51
HIC 4	1	3	4
HIC 5	1	6	7
HIC 6	4	3	7
HIC 7	5	2	7
HIC 8	7	3	10
LEG 2	0	1	1
SE	1	0	1
Total	29	76	105

Employees with a disability, by gender and state

STATE	MALE	FEMALE	TOTAL
National Office	17	6	23
New South Wales	4	22	26
Queensland	2	11	13
South Australia	2	7	9
Tasmania	0	3	3
Victoria	3	25	28
Western Australia	1	2	3
Total	29	76	105

APPENDIX D CONSULTANCY SERVICES



D

The following table lists new and extended consultancy contracts let to the value of \$10,000 or more (inclusive of GST) during 2003–04. Included is the name of the consultant; a summary description of the nature and purpose of the consultancy; the contract price for the consultancy; the selection process used (including whether the consultancy was publicly advertised), and the reason for the decision to employ consultancy services for each individual consultancy.

Key

SELECTION PROCESS

- 1 Publicly advertised tender
- 2 Selective tender
- 3 Direct engagement without tender

REASON

- a Project required specialist knowledge and/or skills not available within the HIC at the time
- b Consultant was a recognised expert in the field and/or had particular skills/experience gained from similar work for the HIC
- c Project required input from a person/organisation accepted as independent from the HIC

Consultancy services provided to the Health Insurance Commission in 2003–04

COMPANY NAME	PURPOSE OF ENGAGEMENT	PRICE \$	PROCESS	REASON
A C NEILSEN RESEARCH	Provider Feedback Report Study	14,460.00	1	a
ACCENTURE AUSTRALIA LTD	<ul style="list-style-type: none"> > Extension of current consultancy arrangements to provide eBusiness integration services PBS online claims processing > Deployment Manager for Directories Project > BI program strategy and planning 	3,148,158.50	1/2/3	a
ACCESS ECONOMICS PTY LTD	Pharmaceutical Benefits Initiatives Group—assessing savings	213,820.45	3	a
ACUMEN ALLIANCE	<ul style="list-style-type: none"> > IT transaction pricing and cost structure > Review effectiveness and efficiency of risk management of optometrical benefits schedule > Conduct an audit on the process of the production replacement and opportunities for improvements to procedures and controls of the Medicare card > Several finance-related projects > Business Pricing Aged Care > DOFA ABC Benchmarking Study > PBS Sanctions Review > IT Audit 	173,993.75	1/2/3	a

COMPANY NAME	PURPOSE OF ENGAGEMENT	PRICE \$	PROCESS	REASON
ANTHONY BLUNN	Review of implementation of the recommendation of the report on the examination of the national investigations function	30,000.00	3	a
APIS CONSULTING GROUP	Management Services	24,044.32	3	b
APTLY	Consultancy with Anne Parkhill Reference Suite & Web Content Management System Training Programs	19,661.03	2/3	a
A T KEARNEY AUSTRALIA	Business Improvement Checkpoint Review	48,707.56	3	b
BLUE MOON QUANTITATIVE	PBS Restriction and Professional Services Review	30,810.00	1	a
CLAIMS MANAGEMENT GROUP LTD	Medical Indemnity	42,326.09	2	a
COOLONG CONSULTING (AUST) PTY LTD	Contact Centre Architecture Project	382,383.57	1	a/b
CUSTOMER SERVICE INSTITUTE OF AUSTRALIA	Consultancy fees for <i>Charter of Care</i> review	25,750.00	3	a
DAY AND HODGE ASSOCIATES	Medical Indemnity	12,900.00	3	a
ERNST & YOUNG	Activity Based Costing Benchmarking DOFA Review	13,770.00	3	a
MICHAEL JOHN PALMER	Review of implementation of the recommendations of the report on the examination of the national investigations function	25,000.00	3	a
THE WORK LAB	Health Survey	34,230.00	3	b
U-NIQ CONSULTING PTY LTD	Glivec Consultancy	12,551.00	1	a
WALTER TURNBULL	Financial and Planning Division Review	11,772.73	2	a/b
WOOLCOTT RESEARCH	Prescription Shopping Project Information Service	23,970.00	2	a/b

APPENDIX E SERVICE CHARTER REPORT

E

Our service charter, the *Charter of Care*, describes our current obligations and standards of service, as well as benchmarks we use to measure our performance. It also outlines our customers' rights and responsibilities, explains our complaints handling procedures, and tells customers how to access our services.

The information in these tables outlines our service standards and performance for the following services:

- > claims processing and payments for our external customers
- > claims processing and payments for service providers
- > telephone enquiries
- > Medicare office counter enquiries.

For more information about our *Charter of Care*, see chapter 3.1.

Table 1: Claims processing and payment standards for our external customers

SERVICE	SERVICE STANDARD	PERFORMANCE	
		2002-03	2003-04
Medicare	Paid accounts will be reimbursed by cash on the day at a Medicare office (daily limits apply)	100%	100%
For claims made manually	Paid accounts will be reimbursed by electronic funds transfer (EFT) to your nominated account (not available for passbook accounts) or by cheque posted to you 10 days after lodgment	97%	98%
	Claims for unpaid general practitioner (GP) accounts will be reimbursed by cheque made out to the doctor. The cheque will be posted to you 16 days after lodgment	100%	99%
	Claims for other unpaid medical provider accounts will be reimbursed by cheque made out to the provider. The cheque will be posted to you 18 days after lodgment	100%	100%
For claims made electronically (including via a doctor's practice)	Paid accounts will be reimbursed by EFT to your nominated account if requested (not available for passbook accounts) or by cheque posted to you 10 days after lodgment	92%	98%
	Claims for unpaid GP accounts will be reimbursed by cheque made out to the doctor and sent to you 14 days after lodgment	99%	96%
	Claims for other unpaid medical provider accounts will be reimbursed by cheque made out to the provider. The cheque will be posted to you 15 days after lodgment	99%	97%
Compensation	A Medicare history statement will be processed within 28 days of receipt of a request for Notice of Past Benefits	98%	95%
	A Notice of Past Benefits will be processed within 28 days of receipt of an accepted Medicare claims history statement	98%	94%
	On receipt of an accepted Medicare claims history statement, refunds from an advance payment will be made within 3 months of us receiving both the notice of judgment or settlement and the advance payment amount	98%	97%

Table 2: Claims processing and payment standards for service providers

SERVICE	SERVICE STANDARD	PERFORMANCE	
		2002-03	2003-04
Medicare (Bulk bill)	Manual bulk bill claims for all services except pathology and general practitioner (GP) services will be reimbursed to providers by cheque 15 days after lodgment	98%	93%
	Manual GP claims will be reimbursed to providers by cheque 14 days after lodgment	99%	91%
	Manual pathology claims will be reimbursed to providers by cheque 28 days after lodgment	97%	97%
	Electronically lodged claims for all services except pathology will be reimbursed to providers by cheque or electronic funds transfer (EFT) 8 days after lodgment	84%	93%
	Electronically lodged pathology claims will be reimbursed to providers by cheque or EFT 28 days after lodgment	96%	81%
Australian Childhood Immunisation Register	Australian Childhood Immunisation Register notification payments will be made by EFT, and a statement mailed to providers within 7 days of the end of each month	100%	100%
General Practice Immunisation Incentives	A General Practice Immunisation Incentives outcomes payment calculation will be run quarterly in February, May, August and November of each year. All payments will be made and statements sent within 2 weeks of the quarterly calculations	75% statements	100% statements
		100% payments	100% payments
Service Incentive Payments	Service Incentive Payments will be made within 5 days of the end of each month	100%	100%
Practice Incentives Payments	A Practice Incentives Program payment will be run quarterly in February, May, August and November of each year. All payments will be made and statements sent within 2 weeks of the quarterly calculations	50% statements	25% statements
		100% payments	100% payments
Pharmaceutical Benefits Scheme	When correct documentation is provided:		
	> cash payments for claimants of patient refunds will be processed on the day at a Medicare office (daily cash limits apply)	100%	100%
	> cheque payments for eligible patient refunds will be issued within 28 days of lodgment	94%	91%
	> Claims Transmission System (CTS) benefits claims will be paid to the pharmacy within 17 days	100%	100%
	> written authority approvals will be provided within 3 working days from the date of receipt	99%	97%
	> prescription pad orders will be dispatched within 4 weeks of receipt	100%	100%
Veterans' Affairs Processing	Medical claims will be reimbursed to medical practitioners within 28 days	99%	99%
	Hospital claims will be reimbursed to hospitals within 28 days, unless otherwise contracted	98%	96%
	Ancillary service claims will be paid to providers within 28 days, unless otherwise contracted	92%	99%

Table 3: Telephone enquiry standards

ENQUIRY LINE	PERFORMANCE	
	2002-03	2003-04
PERCENTAGE OF CALLS ANSWERED BY AN OPERATOR WITHIN 30 SECONDS (AVERAGE ACROSS AUSTRALIA)		
Australian Organ Donor Register	96%	94%
Australian Childhood Immunisation Register enquiry line and reports	93%	92%
Australian Childhood Immunisation Register internet enquiry line	94%	94%
Compensation	97%	95%
Botulinum Toxin	100%	100%
Department of Veterans' Affairs—Allied	95%	98%
Department of Veterans' Affairs—Hospital	99%	99%
Department of Veterans' Affairs—Medical	99%	99%
Federal Government 30% Private Health Insurance Rebate	95%	87%
Location-specific practice number—registrations	75%	81%
Medclaims	94%	92%
Improved Medicare Entitlement Program	94%	92%
Medicare easyclaim	99%	92%
Medicare provider enquiries	95%	94%
Medicare public enquiries	96%	91%
Optometrist Calls Transferred	97%	93%
Pharmaceutical Benefits Scheme authority approvals	93%	89%
Pharmaceutical Benefits Scheme general enquiries	93%	95%
Practice Incentives Program payments	99%	99%
Rural Retention Program	100%	99%
Rural Transaction Centres	99%	98%
Simplified Billing	94%	93%
Telephone claiming	96%	94%

Note: This data has been taken from the *Performance Management Framework Service level and call volumes summary*.

Table 4: Medicare office counter enquiry standards

STANDARD	PERFORMANCE	
	2002-03*	2003-04**
We aim to keep waiting times below 10 minutes	100% of customers were served in under 10 minutes	100% of customers were served in under 10 minutes

* Based on 2,516 observations conducted in Medicare offices during 2002-03

** Based on 9,382 observations conducted in Medicare offices during 2003-04

Table 5: Freedom of information standards

STANDARD	PERFORMANCE	
	2002-03	2003-04
We will acknowledge your request under the <i>Freedom of Information Act 1982</i> (FOI Act) within 14 days of receipt and respond within 30 days of receiving your request. If other parties need to be consulted, the law provides for another 30 days for a decision to be made.	One request was carried over and 14 requests were received in 2002-03. Of these, 10 decisions were made, 2 were withdrawn and 3 were carried through to 2003-04. All were acknowledged within 14 days of receipt. Of the 10 decisions, 10 were responded to within the legislated timeframes.	Three requests were carried over and 15 requests were received in 2003-04. Of these, 12 decisions were made, 5 were withdrawn and 1 was carried through to 2004-05. All were acknowledged within 14 days of receipt. Of 12 decisions, 12 were responded to within the legislated timeframes.

Table 6: Customer feedback, as recorded in our customer feedback register

FEEDBACK TYPE	VOLUME		FURTHER DETAIL FOR 2003-04
	2002-03	2003-04	
Suggestions	87	92	72% of all suggestions were Medicare-related. The top 4 suggestion categories were: > Medicare Public Office—General > Medicare Public—General > Medicare Public Office—Service Provided > Bowel Cancer Screening—General
Compliments	185	603	68% of all compliments were Medicare-related. The top 4 compliment categories were: > Medicare Public Office—Service Provided > Medicare Public Office—General > PBS Authority > Medicare Public—General
Complaints*	300	713	Top 4 complaint categories were: > PBS Authority > Medicare Public Office—Service Provided > Medicare Public Office—General > Medicare Public—General
Correspondence** We will respond to you as quickly as possible within 28 days. If we cannot meet the 28-day standard, within 14 days of receiving your query we will advise you of an expected reply date, and who to contact in the meantime.	12,200	11,874	82% of all correspondence

* A complaint is entered onto the customer feedback register only if it is not satisfactorily resolved by either the staff member initially contacted by the customer or the staff member's supervisor.

** We report on correspondence received and entered into the customer feedback register. However, this does not represent the total correspondence handled by the HIC and does not include professional registrations, objections and decisions.

APPENDIX F CALL CENTRE STATISTICS

This appendix lists the telephone call volumes for the enquiry lines in our major programs in each of the states and territories.

Telephone call volumes received, by state and territory 2003-04

PROGRAM	ACT	NSW	QLD	VIC	SA	TAS	WA	NT	TOTAL 2003-04	TOTAL 2002-03	VARIANCE
ACIR enquiry line and reports			615				5,965		6,580	210,922	+ 204,342
ACIR internet helpline			28,722		5,181		193,230		227,133	7,409	+ 219,724
ATSI access line		5,100		585		102	12,164	9,817	27,768	28,247	- 479
Australian Organ Donor Register			10,182				40,345		50,527	34,994	+ 15,533
Botulinum Toxin						2,559			2,559	65	+ 2,494
Compensation		91,968	84,597						176,565	198,839	- 22,274
DVA—allied					49,445				49,445	61,386	- 11,941
DVA—hospital				2,887	2,890				5,777	6,040	- 263
DVA—medical				38,326	23,230				61,556	56,704	+ 4,852
Easyclaim booth enquiries			53,153			15,022			68,175	74,556	- 6,381
Easyclaim fax enquiries									—	40,296	- 40,296
IME line		88,993	223,682						312,675	284,914	+ 27,761
LSPN (from March 2003)	4,169								4,169	2,023	+ 2,146
Mediclaims		31,225	17,829	21,512	7,924		7,214		85,704	93,573	- 7,869
Medicare levy exemption						14,974			14,974	15,609	- 635
Medicare provider enquiries		392,671	197,838	396,909	129,643	18,024	158,717	5,935	1,299,737	1,437,989	- 138,252
Medicare public enquiries		640,502	376,587	494,598	196,626	37,155	241,866	17,224	2,004,558	1,959,996	+ 44,562

PROGRAM	ACT	NSW	QLD	VIC	SA	TAS	WA	NT	TOTAL 2003-04	TOTAL 2002-03	VARIANCE
Optometrical—IVR*	1,413,862								1,413,862	1,203,058	+ 210,804
Optometrical—transfer to operator			13,137						13,137	14,715	- 1,578
PBS authority approvals	1,697,468	1,485,692	828,017	400,279		645,844			5,057,300	4,438,018	+ 619,282
PBS general enquiries	98,714	134,375	32,213	15,811	5,983	20,041			307,137	250,189	+ 56,948
PIP payments				23,227					23,227	23,132	+ 95
Rural Retention Program				863					863	869	- 6
Simplified Billing (from March 2003)	24,387	5,941	23,240	20,813	471	3,694			78,546	17,544	+ 61,002
Telephone claiming	3,544	9,886		161	4,225	350			18,166	18,384	- 218
30% rebate	5,866	48	25	18	39	3	64		6,063	1,733	+ 4,330
NOT LISTED IN 2002-03											
Growing Up Australia	63			2,000					2,063		
HIC Online		6,515	2,230	3,173	833	173	854		13,778		
PKI HeSA			10,295						10,295		
PKI tech support			3,418						3,418		
Pharmaceutical advisers									-		
Software vendor helpdesk	18,921								18,921		
Specialised drugs			289	972		2,723			3,984		
Rural transaction centres						84,912			84,912		
Total	1,442,881	3,081,135	2,658,493	1,842,450	873,784	231,852	1,290,003	32,976	11,453,574	10,481,204	+ 972,370

Note: Blank areas indicate that telephone calls for a particular program are not handled in that state.
* Calls to the optometrical interactive voice response line are not recorded by state.

APPENDIX G HOW TO CONTACT US



G

Office locations

NATIONAL OFFICE (ACT)

134 Reed Street North
GREENWAY ACT 2900
Phone: (02) 6124 6333
Fax: (02) 6282 5025

Postal address:
PO Box 1001
TUGGERANONG DC ACT 2901

STATE OFFICES

New South Wales
150 George Street
PARRAMATTA NSW 2150
Phone: (02) 9895 3333
Fax: (02) 9895 3082

QUEENSLAND

444 Queen Street
BRISBANE QLD 4000
Phone: (07) 3004 5333
Fax: (07) 3004 5410

SOUTH AUSTRALIA

209 Greenhill Road
EASTWOOD SA 5063
Phone: (08) 8274 9333
Fax: (08) 8274 9371

TASMANIA

242 Liverpool Street
HOBART TAS 7000
Phone: (03) 6215 5333
Fax: (03) 6215 5700

VICTORIA

460 Bourke Street
MELBOURNE VIC 3000
Phone: (03) 9605 7333
Fax: (03) 9605 7980

WESTERN AUSTRALIA

11th Floor, Bankwest Tower
108 St Georges Terrace
PERTH WA 6000
Phone: (08) 9214 8333
Fax: (08) 9214 8322

Our national telephone enquiry service

Customers can contact us through our national telephone enquiry service. Calls to 13 numbers cost 25 cents from anywhere within Australia, while calls to 1800 numbers are free of charge. Calls from public pay phones or mobile phones may be charged at higher rates. There is also more information on our website at www.hic.gov.au

24-HOUR 7-DAY ENQUIRY LINES	PHONE NUMBER
Australian Childhood Immunisation Register enquiry line and reports	1800 653 809
Australian Childhood Immunisation Register internet enquiry line	1300 650 039
Australian Organ Donor Register	1800 777 203
Australian Organ Donor Register (Approved Medical Practitioner)	1800 556 455
Customs Prescription Drug Smuggling	1800 032 258
General Practice Immunisation Incentives scheme enquiries/immunisation reports	1800 246 101
Medicare easyclaim fax	1800 633 201
Medicare easyclaim fax enquiries	1800 722 008
Pharmaceutical Benefits Scheme authority approvals	1800 888 333
Public key infrastructure customer service centre	1300 660 035
Telephone claiming	1300 360 460

BUSINESS HOURS ENQUIRY LINES	PHONE NUMBER
Aboriginal and Torres Strait Islander access line	1800 556 955
Bali special health care benefits hotline	1800 660 026
Compensation	13 21 27
Department of Veterans' Affairs—allied	1300 550 051
Department of Veterans' Affairs—hospital	1300 551 002
Department of Veterans' Affairs—medical	1300 550 017
Doctor shopping hotline	1800 631 181
Federal Government 30% Private Health Insurance Rebate	13 62 21
HIC Online	1800 700 199
Improved monitoring of entitlements (IME)	1300 302 122
Medclaims	1300 788 008
Medical advisory line	1800 800 314
Medicare provider enquiries	13 21 50
Medicare public enquiries	13 20 11
National electronic data interchange help desk	1300 550 115
Optometrical IVR date-of-service check	1300 652 752
Pharmaceutical Benefits Scheme general enquiries	13 22 90
Practice Incentives Program payments	1800 222 032
Rural Retention Program	1800 010 550
Simplified Billing	1300 130 043
Source-based audit	1800 675 235
Teletypewriter (hearing impaired)	1800 552 152

PUBLIC EMAIL CONTACTS	EMAIL ADDRESS
Australian Childhood Immunisation Register	acir@hic.gov.au
Australian Organ Donor Register	aodr@hic.gov.au
Better medication management system (now known as <i>MediConnect</i>)	bmms@hic.gov.au
Compensation	medicare.enq@hic.gov.au
Feedback reporting facility for providers and specialists	provider.feedback@hic.gov.au
General Practice Immunisation Incentives scheme	gpii@hic.gov.au
GPMOU 90-day scheme	90daypay@hic.gov.au
GST enquiries	gst.enquiries@hic.gov.au
HIC general enquiries	hic.info@hic.gov.au
HIC Online	hic.online@hic.gov.au
HIC's service charter— <i>Charter of Care</i>	service.charter@hic.gov.au
HIC Statistics	hicstats@hic.gov.au
Medicare provider enquiries	medicare.prov@hic.gov.au
Medicare public enquiries	medicare.enq@hic.gov.au
<i>MediConnect</i> (previously known as better medication management system)	mediconnect@hic.gov.au
Pathology	pathology.section@hic.gov.au
Pharmaceutical Benefits Scheme	pbs.enq@hic.gov.au
Practice Incentives Program	pip@hic.gov.au
Program Review Division	professional.review@hic.gov.au
Public Affairs	public.affairs@hic.gov.au
Public key infrastructure	pki@hic.gov.au
Simplified Billing (by state)	simplified.billing@hic.gov.au
	qld.simplified.billing@hic.gov.au
	sa.simplified.billing@hic.gov.au
	wa.simplified.billing@hic.gov.au
	nsw.simplified.billing@hic.gov.au
	vic.simplified.billing@hic.gov.au
	tas.simplified.billing@hic.gov.au
Software vendor account management	sam@hic.gov.au
Software vendor helpdesk	edihelp@hic.gov.au
Software vendor liaison	edi.liaison@hic.gov.au
Victorian EDI helpdesk	vicedi@hic.gov.au