

Guidelines

Medical Indemnity High Cost Claim Indemnity Scheme (HCCS) payment application form



Contents

Part 1	Important information for applicants	2
	Introduction	2
	Relevant legislation	2
	Submitting applications	2
	Request for further information by Medicare Australia	2
	Payment of HCCS indemnity	3
	What costs cannot be claimed under HCCS	3
	Conflict resolution	3
	Recovery of payments	3
	Notification to Medicare Australia of certain circumstances	4
	Contact details	4
Part 2	Glossary	5
	Speciality codes	8
Part 3	Guidelines for completing the High Cost Claims Indemnity Scheme (HCCS) payment application form	9
	Section 1—Claim details	9
	Section 2—HCCS eligibility criteria	10
	Section 3—Application details	11
	Section 4—Apportionment and cost-sharing arrangements	13
	Section 5—HCCS financial details	14
	Section 6—Written Election form	18
	Section 7—Statutory declaration form	18

Part 1 Important information for applicants

Introduction

The High Cost Claims Indemnity Scheme (HCCS) legislation was introduced by the Australian Government on 1 January 2003. The legislation was developed following recommendations from the Medical Indemnity Policy Review Panel, who were concerned that medical professionals would not have the ability to continue to provide medical services to the community unless they continued to have access to affordable medical indemnity cover.

Under the HCCS, the government funds 50 per cent of the amount by which the claim exceeds the appropriate threshold, up to the limit of the medical professional's indemnity claim.

These guidelines will help Medical Defence Organisations (MDOs) and Medical Indemnity Insurers (MIIs) complete a Medical Indemnity HCCS payment application form for eligible claims. They do not stand alone and must be read in conjunction with the relevant acts, regulations and other associated documentation.

Relevant legislation

Medical Indemnity Act 2002

Medical Indemnity Regulations 2003


Acts Interpretation Act 1901

Submitting applications

If a claim is made against several members a separate form must be submitted for each member as costs cannot be aggregated. The sum of the qualifying payment(s), with respect to each member/policy holder, must exceed the applicable HCCS threshold to be eligible for a HCCS indemnity payment.

Example: Assuming the threshold of \$300 000 applies and the applicant incurred \$300 000 each for member A and member B involved in the same claim, the applicant is not entitled to aggregate the costs incurred for both members A and B for the purpose of applying for a HCCS indemnity.

If a policy holder/member is subject to multiple claims which relate to the same plaintiff and the same incident (for example, a coronial and a civil claim), these claims **must** be lodged with Medicare Australia as part of one application.

 Supporting documentation must be attached to the application form. Medicare Australia has developed a **checklist**, which is attached to the application form. The checklist details the documents that Medicare Australia needs to verify HCCS eligibility and if the claim is payable.

If a member/policy holder is eligible for the Run-off Cover Indemnity Scheme (ROCS) or the Incurred-But-Not-Reported Indemnity Scheme (IBNR) and the claim meets the relevant threshold, the applicant must submit the application using the relevant ROCS payment application or IBNR payment application forms. These forms will also capture all HCCS information.

Request for further information by Medicare Australia

The *Medical Indemnity Act 2002* (the Act) states that the Medicare Australia CEO may request further information in writing to determine if an application for payment is acceptable and, if so, the amount payable. Medicare Australia will advise if this information needs to be verified by a statutory declaration.

A response to a request for further information must be given within 28 days. Failure to comply is an offence. If you are experiencing difficulty in meeting the deadline a written application for a reasonable extension may be made to Medicare Australia.

Payment of HCCS indemnity

If a HCCS payment application meets all of the legislative requirements, Medicare Australia must pay the indemnity to the MDO or MII before the end of the month that immediately follows the month the application is received. For example, if an application for payment is received by Medicare Australia on 28 June 2007, and is subsequently approved, payment to the MDO or MII must be made before 31 July 2007.

Where there has been a further information request by the Medicare Australia CEO, the indemnity must be paid before the end of the month that immediately follows the date that the information is received (providing this information satisfies the request). For example, if an application for payment is received by Medicare Australia on 28 June 2007, additional information is requested on 5 July 2007, and this information is received by Medicare Australia on 1 August 2007, the payment to the MDO or MII must be made before 30 September 2007.

What costs cannot be claimed under HCCS

- Incidents that were notified to the MDO/MII before 1 January 2003.
- Costs that relate to or are reasonably attributable to the treatment of a public patient in a public hospital.
- An incident or series of incidents that occur outside Australia or one of its external Territories.
Note: at least one in a related series of incidents must occur within Australia or one of its external Territories.
- An incident or series of related incidents which did not occur in the course of, or in connection with, the practice of a medical profession.

Conflict resolution

If a dispute arises from an application for payment under a medical indemnity claim scheme, Medicare Australia will take all necessary steps to resolve the dispute informally with the relevant MDO or MII.

If a satisfactory resolution cannot be reached through an informal process, the applicant may elect to request a review of a decision. The request must be in writing and should set out the details of the dispute.

The internal review is an administrative service that Medicare Australia provides to MDOs and MIIs. It is not set out in the Act or in other legislation. Medicare Australia will notify applicants of the outcome of a request for a review within 28 days of the request being received, unless another timeframe is agreed between the applicant and Medicare Australia.

Applications for review should be forwarded to:

**The Manager
Medical Indemnity Section
Medicare Australia
PO Box 1001
Tuggeranong DC ACT 2901**

Recovery of payments

Section 41 of the *Medical Indemnity Act 2002* gives Medicare Australia the power to recover a payment that has been overpaid and sets out the terms and conditions for recovery of payments. Unless otherwise notified, all recoveries will be offset against a future claim payment.

Notification to Medicare Australia of certain circumstances

Medicare Australia must be notified within 28 days if any of the following circumstances arise after a HCCS payment has been made to an applicant:

- the applicant recovers from a third party an amount paid, which relates to the amount paid to the applicant
- the judgment or order becomes subject to an appeal and/or stay
- the applicant withdraws support for the policy holder/member
- the amount paid is later found to be not payable under the terms of the HCCS.

Should you identify an amount to be refunded, please notify Medicare Australia using the Medical Indemnity Claims Refund application form.

Privacy note

Information provided to Medicare Australia in a HCCS application form will be used to assess and calculate the amount of indemnity that is payable. The collection of information is authorised by the *Medical Indemnity Act 2002*.

Information provided may be disclosed to the Department of Human Services, the Department of Health and Ageing and/or the Australian Government Actuary for the purposes of administering the Act or as authorised by law.

Contact details

Medical Indemnity Claims

Phone **1800 813 167****

Fax **03 6215 5322**

Email **medical.indemnity.payments@medicareaustralia.gov.au**

**** Call charges apply to mobile and pay phone only**

Part 2 Glossary

Act	The <i>Medical Indemnity Act 2002</i> as amended from time to time.
Aggregation	<p>An amount formed or calculated by the combination of many separate items. For the purposes of ROCS where both an MDO and an MII have paid, or are liable to pay amounts in relation to the same member or policy holder in respect of the same claim, they may aggregate those costs and make a single application for payment.</p> <p>Note: where the application relates to amounts paid or payable by both an MDO and an MII in relation to the same claim, and the MII elects to aggregate the amounts, the MDO must lodge the application. A Run-off Cover Indemnity is not payable to the MII in respect of the MII amount if aggregation has been elected (Section 31 (for HCCS) or 34ZE (for ROCS) of the Act).</p>
Applicant	<p>The entity applying for a HCCS payment. The applicant will be a:</p> <ol style="list-style-type: none">Medical Defence Organisations (MDO)Medical Indemnity Insurers (MII)MDO or MII under external administration.
Application form	The HCCS payment application form approved by the Medicare Australia CEO under the Act.
Apportionment	The distribution of damages between parties to a claim, proportionate to their legal liability. For the purpose of assessing a HCCS payment application Medicare Australia requires this information in writing.
Claim	<p>In the Act, a claim can include inquiries, disciplinary proceedings and proceedings before a tribunal as well as court proceedings, and covers notification of incidents in some circumstances.</p> <p>Please refer to Section 4 of the Act for a full definition.</p>
Claim against a person	Includes an inquiry into, or an investigation of, the person's conduct, or notification of an incident as above.
Claim for contribution	A claim by a party to an action or proceeding to recover a portion of his or her liability from another party who is also liable for the same damage to the plaintiff.
Consent judgment	A court decision/document which embodies the settlement terms agreed upon by the parties to proceedings and which is filed in court. Unless set aside or varied, a consent judgment is the final disposition of proceedings. For the purpose of assessing a HCCS application Medicare Australia requires this information in writing.
Costs	The fees, charges, disbursements and expenses incurred in connection with legal work undertaken in relation to the proceeding (by either plaintiff or defendant).
Costs order	An order of a court or tribunal to pay the costs. These orders are generally made against an unsuccessful party in favour of a successful party. Courts generally have power to determine by whom, and to what extent, costs are to be paid by an unsuccessful party.
Cost-sharing arrangement	Any arrangement in which legal costs and/or disbursements are to be shared between parties to a claim or proceedings.

Costs inclusive settlement	A settlement that includes an unspecified amount for the plaintiff's legal costs and disbursements. If unspecified, these costs are to be claimed entirely under 'settlement/judgment' amount.								
Damages	Compensation for loss or injury suffered by a plaintiff or claimant as a consequence of an incident involving a defendant.								
Date of notification	The date on which the member/policy holder notified the MDO or MII of an incident or a claim that has been made against them in accordance with the notification obligations of the member/policy holder under their indemnity arrangement. This is the date which determines the applicable threshold amount for High Cost Claims.								
Defence costs	Legal costs, fees, charges, disbursements and expenses incurred by or on behalf of a defendant to a claim.								
Defendant	A person against whom civil proceedings are brought.								
Discontinuance of proceedings	A method used to end court proceedings. A document must be filed with the court, discontinuing proceedings in that forum. For the purpose of assessing a HCCS application Medicare Australia requires this information in writing.								
Excess/Exceeds	Specified amounts a member is required to pay towards each claim. A member may also choose an excess in an effort to reduce their annual premium, also known as deductibles.								
Exceptional Claim Scheme (ECS)	<p>A scheme designed to assist where a claim exceeds a practitioner's indemnity insurance contract limit. The current thresholds legislated in the <i>Medical Indemnity Act 2002</i> are:</p> <ol style="list-style-type: none"> if the MII was first notified of the claim, or facts that might give rise to a claim, on or after 1 January 2003 and before 1 July 2003—\$15 million if the MII is or was first notified of the claim, or of facts that might give rise to the claim, on or after 1 July 2003—\$20 million, or such other amount as is specified in the regulations as the threshold. 								
HCCS	High Cost Claim Indemnity Scheme								
High Cost Claim threshold	<p>The amount which a claim must exceed before a High Cost Claim application can be lodged. The High Cost Claim threshold is set in the Act and reflects the notification date the MDO or MII was first notified of:</p> <ul style="list-style-type: none"> an incident that gave rise to a claim a claim against the member/policy holder. <table border="1" data-bbox="461 1503 1474 1715"> <thead> <tr> <th>Notification date</th> <th>Applicable threshold</th> </tr> </thead> <tbody> <tr> <td>1 January 2003 to 21 October 2003 (inclusive)</td> <td>\$2 000 000</td> </tr> <tr> <td>22 October 2003 to 31 December 2003 (inclusive)</td> <td>\$500 000</td> </tr> <tr> <td>On or after 1 January 2004</td> <td>\$300 000</td> </tr> </tbody> </table>	Notification date	Applicable threshold	1 January 2003 to 21 October 2003 (inclusive)	\$2 000 000	22 October 2003 to 31 December 2003 (inclusive)	\$500 000	On or after 1 January 2004	\$300 000
Notification date	Applicable threshold								
1 January 2003 to 21 October 2003 (inclusive)	\$2 000 000								
22 October 2003 to 31 December 2003 (inclusive)	\$500 000								
On or after 1 January 2004	\$300 000								
IBNR	Incurred-But-Not-Reported Indemnity Scheme								
Incident	An act, omission or circumstance that includes an alleged incident.								
Incident-occurring based cover	<p>An arrangement that existed between a MDO and a person, under which the MDO would, in the ordinary course of business, indemnify a person for incidents occurring within their period of membership.</p> <p>Note: incident-occurring based cover is defined in greater detail in Section 7 of the Act.</p>								

Interlocutory order	An order made by the court before the final hearing and may be an order for costs to be payable.
Judgment	The decision of a court, or a court order for the payment of an amount of compensation, costs or otherwise. A person will generally have a right to appeal to a higher court against a judgment of a lower court. Note: judgments do not become final until any and all appeal periods have expired.
Medical Defence Organisation (MDO)	The Act lists bodies, which are declared to be MDOs, sets criteria for recognising others, and makes provisions for regulations specifying which other bodies are (or are not) MDOs. Please refer to Section 5 of the Act for a full definition.
Medical Indemnity Insurer (MII)	In Section 4 of the Act, a body corporate that is authorised to carry on insurance business in Australia under the <i>Insurance Act 1973</i> , or a Lloyd's underwriter, who in carrying on that business enters into contracts of insurance to provide medical indemnity cover.
Medical professional	A person who practices a 'health care related vocation', for which there is a requirement to be registered in at least one state or territory to practise.
Medicare Australia's claim identifier	The claim identifier which is unique for each HCCS claim made against a practitioner.
Member	A person who is a member of an MDO.
Party or parties	The person(s) or organisation(s) that make and/or respond to a claim.
Payment in relation to a claim	In subsections 4(3) and 4(4) respectively of the Act, an amount is a payment in relation to a claim if it is made to: a) satisfy or settle a claim b) meet legal or other expenses that are directly attributable to any negotiations, arbitration or proceedings in relation to the claim.
Plaintiff	A person or persons who commence civil action in a court.
Policy holder	A person who holds a contract of insurance with an MII.
Public hospital	A recognised hospital within the meaning of the <i>Health Insurance Act 1973</i> .
Public patient	A patient whose care is funded by government agreements.
Qualifying payments	In the HCCS, these are amounts paid or liable to be paid by an MDO or MII as defined by subsection 30(2) of the Act.
ROCS	Run-off Cover Indemnity Scheme
Settlement	The compromise or resolution of a claim or dispute which is agreed to by the parties.
Unrecoverable GST amount	The amount of goods and services tax (GST) that may not be claimed back as an input tax credit.

Speciality codes

The following table lists the ISA speciality codes that are acceptable for use in the HCCS Scheme.

Code	Specialisation
CANAES	Anaesthetist
CAUDIM	Audiometrist
CAUDIO	Audiologist
CDENTE	Dental technician
CDENTI	Dentist
CDERMI	Dermatologist
CDIETN	Dietician
CGPCOS	General Practitioner with Cosmetic Surgery
CGPNPR	General Practitioner—Non procedural
CGPOBS	General Practitioner with Obstetrics
CGPPRC	General Practitioner—Procedural
CGYNAE	Gynaecologist (no obstetrics)
COBSTE	Obstetrician (including gynaecology)
CPATHO	Pathologist
CPHYSN	Physician—Non-procedural
CPHYSP	Physician—Procedural
CPSYAN	Psychoanalyst
CPSYCH	Psychiatrist
CPSYCO	Psychologist /Counsellor
CPSYTH	Psychotherapist
CRADOG	Radiographer
CRADOL	Radiologist
CRADTH	Radiation therapist
CSONOG	Sonographer
CSRCOS	Cosmetic / Plastic / Reconstructive surgeon
CSRDEN	Dental / Maxillofacial surgeon
CSRGEN	General surgeon
CSRNEU	Neurosurgeon
CSRORT	Orthopaedic surgeon
CSROTH	Surgeon—Not otherwise classified
COTHER	Medical practitioner not otherwise classified
CALLHE	Medical allied health professional not otherwise stated

Part 3 Guidelines for completing the High Cost Claims Indemnity Scheme (HCCS) payment application form

Section 1—Claim details

Questions 1—9

Question 1	Applicant's registered business name (<i>and company name if applicable</i>)	The full registered business name of the MDO/MII applying for a HCCS payment and the company name if the applicant is a company.
Question 2	Claim identification reference (<i>allocated by the applicant</i>)	The unique identification number allocated by the MDO/MII to the claim against the member or policy holder.
Question 3	Member or policy holder identification number (<i>allocated by the applicant</i>)	The unique identification number allocated by the MDO/MII to the member or policy holder named in Question 4 who is the subject of the claim.
Question 4	Full name of the member or policy holder who is the subject of the claim	If a claim is made against several members a separate form must be submitted for each member and costs cannot be aggregated. The sum of the qualifying payment(s), with respect to each member/policy holder, must exceed the applicable HCCS threshold to be eligible for a HCCS indemnity payment.
Question 5	Member or policy holder's Medicare provider number	As a general rule, most medical practitioners apply for a Medicare provider number when they wish to have Medicare benefits payable for their services. Medicare provider numbers are allocated to medical practitioners to provide an easy method of identifying the place from which the service is provided. The full provider number at the location of the medical practitioner's practice is required at the time the incident occurred (even if the practitioner has more than one provider number). Where a member or policy holder does not have a Medicare provider number please write N/A.
Question 6	Member or policy holder's speciality code	Show only the speciality code for the speciality that the member or policy holder was practising at the time the incident occurred (even if the practitioner has more than one speciality).
Question 7	Date of the incident or date range of a series of related incidents	For a single incident, the date the incident occurred that gave rise to the claim, or may give rise to a claim. For a series of related incidents, the date range of the incidents that occurred that gave rise to the claim, or may give rise to a claim.
Question 8	Where did the incident or series of incidents occur?	Please state all locations.
Question 9	Full name(s) of the plaintiff(s) who made the claim	The application form must include the full name of all plaintiff(s) who have lodged the claim against the member or policy holder named in Question 4 of the application for payment.

Section 2—HCCS eligibility criteria

Questions 10—15

Question 10 Date the applicant was first notified of either the claim, or the incident that gave rise to the claim

The date that the applicant was notified of the claim or of the incident:

- by the member or policy holder
- through a subpoena, statement of contribution from another party, or other claim documentation.

A HCCS indemnity payment will not be payable if this date is before 1 January 2003 (Section 30 (1)(d)(i) of the Act).

A copy of documentation showing the date of notification must be submitted to Medicare Australia with the application form.

Question 11 What is the applicable threshold amount for this HCCS claim?

This is identified by the date the applicant was first notified of the incident

The date on which the applicant MDO or MII first received notification of the claim or an incident that gave rise to a claim will determine the applicable high cost claim indemnity threshold.

The applicable threshold amounts are as follows:

Notification date	Threshold
1 January 2003 to 21 October 2003 (inclusive)	\$2 000 000
22 October 2003 to 31 December 2003 (inclusive)	\$500 000
on or after 1 January 2004	\$300 000

Question 12 Does the sum of qualifying payment(s) exceed the threshold amount indicated in Question 11?

A payment is a 'qualifying payment' if the applicant:

- pays an amount in relation to a claim
- is liable to pay an amount in relation to a claim under a settlement agreement, judgment or other court order
- is liable to pay a provable amount as an externally administered body corporate
- the payment is made or liable to be made under an insurance contract with an MII or indemnity arrangement with an MDO and in the ordinary course of the MDO or MII's business.

Qualifying payments include costs directly attributable to a claim that has been made against a practitioner and include:

- legal or other disbursement costs
- negotiations and/or arbitration of the claim
- damages awarded to settle a claim in accordance with a judgment, or court order or settlement agreement.

Important: Medicare Australia requires copies of all tax invoices and receipts for payments made in relation to the claim including a copy of any settlement or judgment documentation evidencing a liability to make a payment.

Question 13	Does the claim relate to an incident or a series of related incidents that occurred in the course of, or in connection with, the member or policy holder's practice as a medical professional?	<p>HCCS will only cover claims that arise from or occur in connection with a member or policy holder's practice as a medical professional.</p> <p>The practice of a medical profession means any professional activity for which registration is required.</p> <p>An incident that occurs outside the scope of these circumstances will not be indemnified under the HCCS (sections 4(1) and 30(1)(b) of the Act).</p>
Question 14	Did the incident or one of the incidents occur within Australia or one of its external Territories?	<p>To be eligible for a HCCS payment the incident, or one of a series of related incidents, must have occurred in Australia or one of its external Territories</p> <p>Australia's external Territories are:</p> <ul style="list-style-type: none"> • Norfolk Island • Ashmore and Cartier Islands • Christmas Island • Cocos (Keeling) Island • Coral Sea Islands • Australian Antarctic Territory • Heard and McDonald Islands. <p>Applications relating solely to an incident(s) that occurred outside Australia or its external Territories are not eligible for a HCCS payment (Section 31(c) of the Act).</p>
Question 15	Does this claim or any part of this claim relate to the treatment of a public patient in a public hospital?	<p>The HCCS does not indemnify costs that relate to or are reasonably attributable to the treatment of a public patient in a public hospital.</p> <p>Any amounts attributable to the treatment of a public patient in a public hospital should be subtracted from the amount claimed within this application (sections 32 and 33 of the Act).</p> <p>These amounts must be deducted at Question 33.</p>

Section 3—Application details

Questions 16—26

Question 16	Applicant's registered business name (<i>and company name if applicable</i>)	The full registered business name of the MDO/MII who is applying for a HCCS payment and the company name if the applicant is a company.
Question 17	Applicant's Australian Business Number (ABN)	The ABN of the applicant who is applying for a HCCS payment.
Question 18	Is the applicant under external administration?	Indicate if the applicant applying for a HCCS payment is under external administration.
Question 19	Contact person's details	Full contact details for the person responsible for any correspondence initiated by Medicare Australia in relation to the application for a HCCS payment.
Question 20	Postal address	Full postal address for all correspondence from Medicare Australia in relation to the application.
Question 21	Account details for EFT payments	Full bank account details for any payments to be made in relation to this HCCS claim.

Question 22 Medicare Australia's claim identifier	<p>For all first applications, please leave this field blank.</p> <p>Medicare Australia will inform the applicant of the unique claim identifier in the format ARN000-D.</p> <p>The unique identifier must be included in all subsequent applications for payment and/or correspondence lodged by the applicant in respect of the same claim.</p>
Question 23 Has a Medical Indemnity Insurer (MII) elected to aggregate the amount(s) in this application for payment?	<p>Where both the MDO and MII have paid, or are liable to pay amounts in relation to the same member or policy holder in respect of the same claim, they may aggregate those costs and make a single application for payment (Section 31 of the Act).</p> <p>In this case, the application for payment must be lodged by the MDO. No application can be made by the MII.</p> <p>A 'Written Election' form (Section 6 of the payment application) must be completed by the MII for each member or policy holder for whom the costs have been aggregated.</p>
Question 24 Are the payments claimed in this application for payment made: <ul style="list-style-type: none"> a) consistently with an indemnity agreement, and b) in the ordinary course of business? 	<p>Applicants should note that HCCS only covers amounts up to the available indemnity of the member or policy holder and claims should be handled as they would by MDOs or MIIs in the ordinary course of business (Section 30(2) of the Act).</p> <p>If the amount of the indemnity is not sufficient to cover the total amount of the High Cost Claim, the HCCS will only indemnify the costs for which the MDO or MII is liable under the policy responding to the claim up to the amount of the residual indemnity. If costs incurred in connection with a claim or claims against a medical professional exceed the policy limit, the medical professional may be eligible for an Exceptional Claims Indemnity (Part 2, Division 2A of the Act).</p> <p>Note: if an MDO provides a medical professional with incident occurring based indemnity which has no policy limit, the MDO can indicate that the indemnity is unlimited subject to Board discretion, the assistance is withdrawn or other conditions are imposed as determined by the member's indemnity arrangements.</p>
Question 25 Has this claim been finalised?	<p>A claim may be finalised by way of judgment, settlement, claim withdrawn (discontinued), deed of release or by some other method.</p> <p>In the course of a claim being discontinued:</p> <ul style="list-style-type: none"> • the parties may have entered into an agreement in respect of costs incurred in the matter • the court may have ordered the payment of costs by a particular party. <p>A copy of all documentation finalising the claim must be submitted to Medicare Australia with the application form.</p>
Question 26 Is this the final application for payment against this claim?	<p>This information is required so that Medicare Australia can provide accurate reports to the Australian Government Actuary on the number of claims that have been finalised.</p>

Section 4—Apportionment and cost-sharing arrangements

Questions 27—28

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- Question 27** Has liability for this claim been apportioned (divided) between parties to the claim?
- Apportionment refers to the division of damages between parties to a claim, proportionate to their legal liability. The amount of damages apportioned, if any, to other parties that are not the subject of this application is to be shown in Question 33 and deducted from the amount sought in this application in Question 35.
- If the application includes an amount paid to satisfy or settle the claim, the applicant must provide details of any apportionment of liability for all parties subject to this claim, including the member or policy holder subject to this application. If there is an apportionment, Medicare Australia requires for each party:
- the Medicare Australia claim identifier (if known)
 - full name
 - the percentage of liability attributable
 - an indication as to whether an application form will be lodged for the member or policy holder by the applicant
 - if the application will be for ROCS, HCCS or an IBNR claim.
- Evidence of the apportionment liability must be provided at the time of the application.**
- Where the applicant's in-house legal advisors or an external law firm act for a Medical Indemnity Claim Scheme indemnified member or policy holder and a non-Medical Indemnity Claim Scheme indemnified member or policy holder, certification of apportionment is required from an independent barrister.
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- Question 28** Are there any cost-sharing arrangements?
- Cost-sharing arrangements apply if there is an agreement between parties to share the costs or disbursements incurred in connection with a claim or part thereof.
- Any cost-sharing amounts relating to members, policy holders or other parties that are not the subject of this application are to be deducted from the amount sought in this application.
- If there are cost-sharing arrangements Medicare Australia requires for each party:
- the Medicare Australia claim identifier (if known)
 - full name
 - amount of the liability attributable
 - all amounts attributed to other parties.

Section 5—HCCS financial details

Question 29 Is this the first application in relation to this claim or a subsequent application?	If this is the first application in relation to the claim, complete Questions 30-40 under subsection A. If this is a subsequent application in relation to the claim, complete Questions 41-49 under subsection B.
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Subsection A—First applications only

Questions 30—40

Question 30 Judgment/settlement amount (net of exceeds/ deductibles)	The judgment/settlement amount refers to the amount of money that a court orders to be paid as damages. This amount may include GST that is unrecoverable by the applicant through normal taxation avenues. To be eligible to claim a judgment/settlement amount the amount being claimed must not be under appeal.
Question 31 Amount of plaintiff's legal costs/disbursements payable under the judgment/settlement	These are the legal costs incurred by the plaintiff who made the claim against the member or policy holder. The only time the plaintiff's costs should appear on the HCCS application form is if costs have been awarded in the judgment to the plaintiff or if they form part of a settlement between the parties involved in a claim. If the settlement amount includes plaintiff costs and the amount of plaintiff costs are not specified, leave this question blank and include the total amount (including plaintiff costs) in the judgment/settlement amount field at Question 30.
Question 32 Amount of applicant's defence costs/disbursements	These are the legal costs associated with the defence of the member or policy holder. The defence costs can be incurred through the engagement of the applicant's internal legal team or an external legal service provider acting on behalf of the applicant. Costs incurred in connection with the notification of the incident, prior to the time the claim is made, can be included here. Any defence costs claimed must be verified by invoices attached to the application for payment.
Question 33 Gross application cost	The total cost of this application before any deductibles have been removed. This is the sum of all amounts claimed in Questions 30, 31 and 32. (A + B + C) on the application form.

Question 34 Less any amount:

- apportioned to members or policy holders who are not the subject of this application
- attributed to other parties under a cost sharing arrangement
- not payable under the HCCS

Amounts for which other parties are responsible, or which relate to incidents or claims which are not payable under HCCS are to be deducted from the amount the applicant is claiming on this application form. Amounts are not claimable under the HCCS if they relate to:

- the provision of treatment to a public patient in a public hospital (sections 32 and 33 of the Act)
- an incident that occurred outside Australia or its external Territories unless an incident in the series occurred in Australia or its external Territories (Section 30(1)(c) of the Act)
- incidents or a series of related incidents which did not occur within the course of, or in connection with, a person's practice as a medical professional (Section 30(1)(b) of the Act)
- amounts where the MDO/MII is not liable to make a payment in relation to the claim (sections 30(1)(e), 30(1)(f) and 30(2) of the Act)
- incidents or a series of related incidents that were notified to the MDO/MII prior to January 2003 (Section 30(1)(d) of the Act).

See the Act for a full description of items to be deducted.

Question 35 Total deductions

The total of all deductions allowable for this claim.

This is the sum of all amounts claimed in Question 34.

(E + F + G) on the application form.

Question 36 Total application cost

The total cost of this application once all deductibles have been subtracted.

This is the difference between the amounts claimed in Questions 33 and 35.

(D – H) on the application form.

Question 37 Total claim costs

The total amount relevant to the application.

(I) in Question 36 of the application form.

Note: to be eligible to apply for a HCCS payment in this application the amount in **(I)** must be greater than the applicable HCCS threshold.

Question 38 Less the HCCS threshold

The date on which the applicant first received notification of the claim or an incident that gave rise to a claim will determine the applicable high cost claim indemnity threshold.

The applicable threshold amounts are as follows:

Notification date	Threshold
1 January 2003 to 21 October 2003 (inclusive)	\$2 000 000
22 October 2003 to 31 December 2003 (inclusive)	\$500 000
on or after 1 January 2004	\$300 000

Question 39 Total above the threshold	The amount in Question 37 less the HCCS threshold in Question 38. (J–K) on the application form.
Question 40 Amount claimable under HCCS (50 per cent of L)	The amount in Question 39 divided by 2. (L ÷ 2) on the application form (Section 34 of the Act).

Subsection B—subsequent applications

Questions 41—49

Question 41 Judgment/settlement amount (net of exceeds/ deductibles)	The judgment/settlement amount refers to the amount of money that a court orders to be paid as damages. This amount may include GST that is unrecoverable by the applicant through normal taxation avenues. To be eligible to claim a judgment/settlement amount the amount being claimed must not be under appeal.
Question 42 Amount of plaintiff’s legal costs/disbursements payable under the judgment/settlement	<p>These are the legal costs incurred by the plaintiff who made the claim against the member or policy holder.</p> <p>The only time the plaintiff’s costs should appear on the HCCS application form is if costs have been awarded in the judgment to the plaintiff or if they form part of a settlement between the parties involved in a claim.</p> <p>If the settlement amount includes plaintiff costs and the amount of plaintiff costs are not specified, leave this question blank and include the total amount (including plaintiff costs) in the judgment/settlement amount field at Question 41.</p>
Question 43 Amount of applicant’s defence costs/ disbursements	<p>These are the legal costs associated with the defence of the member or policy holder. The defence costs can be incurred through the engagement of the applicant’s internal legal team or an external legal service provider acting on behalf of the applicant.</p> <p>Costs incurred in connection with the notification of the incident, prior to the time the claim is made, can be included here.</p> <p>Any defence costs claimed must be verified by invoices attached to the application for payment.</p>
Question 44 Gross application cost	<p>The total cost of this application before any deductibles have been removed.</p> <p>This is the sum of all amounts claimed in Questions 41, 42 and 43.</p> <p>(N + O + P) on the application form.</p>

<p>Question 45 Less any amount:</p> <ul style="list-style-type: none"> • apportioned to members or policy holders who are not the subject of this application • attributed to other parties under a cost sharing arrangement • not payable under the HCCS 	<p>Amounts for which other parties are responsible, or which relate to incidents or claims which are not payable under HCCS are to be deducted from the amount the applicant is claiming on this application form. Amounts are not claimable under the HCCS if they relate to:</p> <ul style="list-style-type: none"> • the provision of treatment to a public patient in a public hospital (sections 32 and 33 of the Act) • an incident that occurred outside Australia or its external Territories unless an incident in the series occurred in Australia or its external Territories (Section 30(1)(c) of the Act) • incidents or a series of related incidents which did not occur within the course of, or in connection with, a person's practice as a medical professional (Section 30(1)(b) of the Act) • amounts where the MDO/MII is not liable to make a payment in relation to the claim (sections 30(1)(e), 30(1)(f) and 30(2) of the Act) • incidents or a series of related incidents that were notified to the MDO/MII prior to January 2003 (Section 30(1)(d) of the Act). <p>See the Act for a full description of items to be deducted.</p>
<p>Question 46 Total deductions</p>	<p>The total of all deductions allowable for this claim.</p> <p>This is the sum of all amounts claimed in Question 45.</p> <p>(R + S + T) on the application form.</p>
<p>Question 47 Total application cost</p>	<p>The total cost of this application once all deductibles have been subtracted.</p> <p>This is the difference between the amounts claimed in Questions 44 and 46.</p> <p>(Q – U) on the application form.</p>
<p>Question 48 Total claim costs</p>	<p>The total amount relevant to the application.</p> <p>(V) in Question 47 of the application form.</p> <p>Important: to be eligible to apply for a HCCS payment in this application the amount in (V) must be greater than the applicable HCCS threshold (see Glossary—page 6).</p>
<p>Question 49 Amount claimable under HCCS (50 per cent of W)</p>	<p>The amount in Question 48 divided by 2.</p> <p>(W ÷ 2) on the application form (Section 34 of the Act).</p>

Section 6—Written Election form

In accordance with sections 31 and/or 34ZE of the Act, an MDO and an MII may elect to aggregate amounts paid or amounts that are payable in respect of the same claim against a member or policy holder, so that the claim may qualify for payment under the HCCS.

The Written Election form must be completed by a person authorised to act on behalf of the MII and must accompany the application form for a HCCS payment.

The application **must be submitted by the MDO with the Written Election form completed and signed by the MII.**

Section 7—Statutory declaration form

The statutory declaration form must be completed, signed by a person authorised to sign on behalf of the MDO or Insurer, dated and appropriately witnessed.

The statutory declaration, among other things, verifies that:

- the answers to the questions in the attached application form are correct to the best of the applicant's knowledge and belief
- the requested documents are attached and (where applicable) are true copies of the original documents
- all payment(s) in relation to the claim against the member or policy holder nominated in the application form were made by the applicant in the ordinary course of their business:
 - consistently with the indemnity arrangements between the MDO and the member
 - consistently with the terms of the insurance contract between the insurer and the policy holder.

Persons authorised by the *Statutory Declarations Act 1959* and regulations to witness a statutory declaration include medical practitioners, dentists, legal practitioners, registered nurses, patent attorneys, pharmacists, physiotherapists, optometrists, members of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants, National Institute of Accountants, Association of Taxation and Management Accountants, and Justices of the Peace. A comprehensive list is available in the *Statutory Declarations Act 1959*.