



# 90 day pay doctor cheque scheme for Medicare electronic claiming

## General information

On 20 September 2007, the Minister for Human Services announced an extension to the existing 90 day pay doctor cheque scheme. This proposal allows specialists and consultant physicians access to the scheme where an unpaid or partially paid patient claim is transmitted electronically to Medicare Australia using Medicare Online, Medicare Easyclaim or ECLIPSE.

A legislative amendment to Section 20 of the *Health Insurance Act (1973)* was passed on 25 June 2008 to allow the proposal to be undertaken. Regulation 13AA of the *Health Insurance Regulations 1975* has also been amended to incorporate the new arrangements.

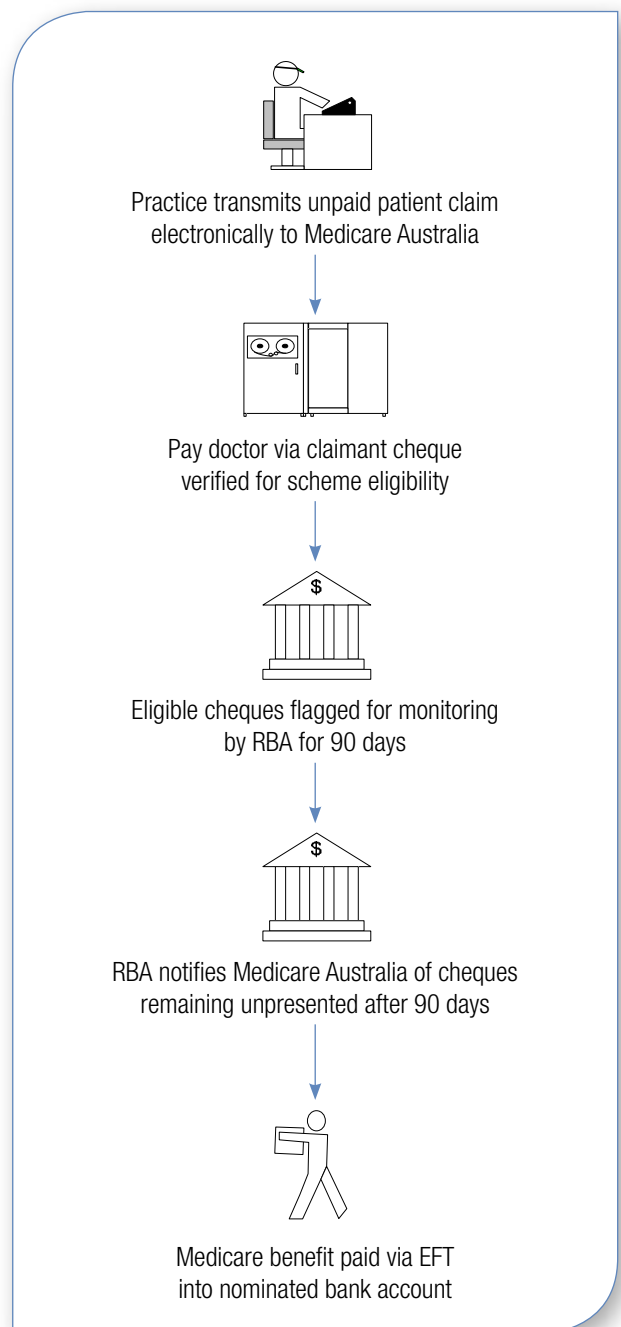
The extension to the scheme starts on 1 November 2008.

## How the scheme works

Under Medicare, when a patient's unpaid or partially paid medical account is lodged for payment, Medicare Australia sends the patient a pay doctor via claimant (PDVC) cheque made payable to the practitioner. The patient is then responsible for forwarding this cheque to the practitioner, together with any outstanding account balance.

From 1 November 2008, when a specialist, consultant physician or general practitioner submits an unpaid patient claim electronically to Medicare Australia, the cheque will automatically be flagged as being part of the 90 day scheme. The cheque will be monitored by the Reserve Bank of Australia (RBA) for 90 days from the date of issue. If the patient does not forward the cheque and it remains unrepresented after 90 days the RBA notifies Medicare Australia, the cheque is cancelled and the Medicare benefit is paid via electronic funds transfer (EFT) directly into the practitioner's nominated bank account.

Unpaid patient claims that are transmitted to Medicare Australia using Medicare Online, Medicare Easyclaim or ECLIPSE will be eligible for the scheme.



# 90 day pay doctor cheque scheme for Medicare electronic claiming

## General information

### Registration

There is no registration requirement for eligible practitioners to access this scheme. The process is triggered by the electronic transmission of the unpaid patient claim using Medicare Online, Medicare Easyclaim or ECLIPSE.

### Bank account details

Medicare Australia will use bank account details that are currently used for payment of the practitioner's bulk bill claims. If bank account details are not registered with Medicare Australia, or they require updating, a *Provider registration for EFT payments* form should be completed and forwarded to Medicare Australia. This form can be downloaded from [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au) then go to **For health professionals > Forms, publications and statistics > Medicare forms > EFT payments for claims**

### Statements

Statements for the 90 day scheme will be issued weekly, and will contain information on EFT payments that have been made into the nominated bank account for the previous week. To enable reconciliation, the table at the top of the EFT statement includes the reference that will appear on your bank statement for the payment.

A sample of a statement is at Attachment 1.

### Bank fees

It is important that you **do not** bank pay doctor via claimant (PDVC) cheques 90 days or more from date of cheque issue.

Eligible cheques are automatically cancelled 90 days after date of issue. Medicare Australia will not be held liable for any bank fees or charges incurred where the practitioner banks a cancelled cheque (e.g. dishonour bank charges).

### Patient authority

Legislation requires that for a PDVC cheque to be issued for an unpaid account, the patient/claimant must submit the request.

There will be rare occasions where the patient/claimant is not present at the time of submitting the claim electronically (e.g. cancer case conferencing). As such, the electronically lodged claim will be submitted by the practitioner, **not** the patient. In these instances an authorisation must be obtained to allow the practitioner to submit the claim on the patient's behalf.

To obtain the patient's authority, practices may choose a process that best suits their business practices that is in line with the guidance provided.

As a result of consultation with medical body representatives, two suggested business processes have been identified.

#### 1 Authority request form

A separate form specifically designed to obtain a patient's authority to submit the claim on their behalf. This form can be designed by a practice and must contain wording similar to the guidance provided below.

The form will not require approval from Medicare Australia but will be subject to standard compliance audit processes.

#### 2 Verbal authority

Where circumstances allow, the patient can provide verbal authority to the practice which will be sufficient to lodge the claim on their behalf.

### Guidance on wording

The written or verbal authority must clearly inform the patient of what will happen and include a positive endorsement from the patient (e.g. a signature on the form).

An example of wording that could be used is as follows:

'I authorise the practitioner who will render services to submit my unpaid account to Medicare, so that Medicare can assess my claim and issue me a cheque, made payable to the practitioner, for the Medicare benefit.'

Patient signature \_\_\_\_\_

Date            \_\_\_/\_\_\_/\_\_\_\_\_

### Evidence of authority

Medicare Australia strongly recommends that regardless of which process is used to obtain authority, the practice retain evidence of the authority for audit purposes. This may be a copy of the form or a notation of the verbal consent.

### More information

- For more information about the 90 day pay doctor cheque scheme please call **132 150\***.
- For information about online claiming please call **1800 700 199\*\***.

\* Call charges apply.

\*\* Call charges apply from mobile and pay phones only.



Australian Government

Medicare Australia

If not delivered return to GPO Box 9822 in your capital city.



ABN: 75 174 030 967

{nnnnnn, nnn, dd/mm/yy}

Phone: **132 150**

(Call charges apply)

{dd month yyyy}

{Provider Name}

{Address Line 1}

{Address Line 2}

{Address Line 3}

Page {x} of {y}

**90 day cheque cancellation statement**

The payment listed below for provider number {nnnnnaa or nnnnnna} – {provider name} was made into the following account:

<b>Reference</b>	{insert bank statement reference}
<b>Name of bank</b>	{insert bank name}
<b>Branch number (BSB)</b>	{nnn nnn}
<b>Account number</b>	XXXXXX {nnn}
<b>Account name</b>	{insert name}

**Medicare benefit details**

Patient name	Medicare Number	Provider No	Date	Item	Charge	Benefit	Explanation
Fenton, Kristen	1234 56789 1	34567890A	24/06/06	23	38.45	31.45	
Ref :MCchqnostatecodedate					Deposited amount total	31.45	
Bell, Helen	2111 11120 1	34567890A	28/06/06	36	125.80	59.70	
Bell, Johnny	2111 11120 6	34567890A	28/06/06	23	38.45	31.45	888
Ref :MCchqnostatecodedate					Deposited amount total	91.15	
Stone, Roland	2111 22222 5	34567890A	28/06/06	23	38.45	31.45	
		34567890A	14/07/06	23	38.45	31.45	
		34567890A	30/07/06	23	38.45	31.45	
Ref :MCchqnostatecodedate					Deposited amount total	94.35	
Miller, Chris	2345 11111 2	34567890A	14/07/06	23	38.45	31.45	
		34567890A	24/07/06	23	38.45	31.45	
		34567890A	30/07/06	23	38.45	31.45	
		34567890A	31/07/06	23	38.45	31.45	
Ref :MCchqnostatecodedate					Deposited amount total	125.80	
Harley, Julie	5555 88888 7	34567890A	14/07/06	23	38.45	31.45	
		34567890A	24/07/06	23	38.45	31.45	
Ref :MCchqnostatecodedate					Deposited amount total	62.90	

Continued on next page



**Medicare benefit details (continued)**

Patient name	Medicare no	Provider no	Date	Item	Charge	Payable	Explanation
Hudson, Kate	2121 12121 2	34567890A	14/07/06	23	38.45	31.45	
		34567890A	24/07/06	23	38.45	31.45	
Ref :MCChqnostatecodedate				Deposited amount total		62.90	
				<b>Total amount deposited</b>		<b>\$465.55</b>	

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**Explanation of codes**

888 Details of previous Medicare assessment

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