



Australian Government
Department of Health and Ageing

Ms Belinda Highmore
Director
Medical Practice Department
Australian Medical Association
PO Box 6090
KINGSTON ACT 2604

Dear Ms Highmore

CHANGES TO OBSTETRICS ITEMS AND THE EXTENDED MEDICARE SAFETY NET (EMSN)

I am writing to seek your assistance in informing the professional groups, including the National Association of Specialist Obstetricians and Gynaecologists, the Royal Australian College of General Practitioners and the Royal Australian and New Zealand College of Obstetricians and Gynaecologists, about the changes announced in the 2009-10 Budget relating to the capping of the Extended Medicare Safety Net (EMSN) benefits for obstetrics services.

The EMSN assists Australian families and individuals who have high out-of-pocket costs for out-of-hospital services. Out-of-hospital services include GP and specialist attendances and services provided in private clinics and private emergency departments. As you are aware, once the relevant annual threshold has been met, Medicare will pay for 80% of any future out-of-pocket costs for out-of-hospital services for the remainder of the calendar year. In 2010, the annual threshold for concession cardholders and people who receive Family Tax Benefits (Part A) is \$562.90, whilst for other individuals and families the annual threshold is \$1,126.00.

At the same time, the Government is also investing \$157.6 million in increasing the Medicare rebates for obstetrics services and \$120.5 million on maternity services. From 1 January 2010, the Medicare rebates for 15 obstetrics items, including antenatal appointments, labour and delivery services and the planning and management of pregnancy, will be increased by between 10 and 150 per cent. Over a standard course of maternity care, the base MBS rebates have been increased by about \$300 per patient.

From 1 January 2010, a new item number 16591 will be introduced to reflect the different responsibilities of GPs and obstetricians who plan to manage the pregnancy, labour and birth, and those who are part of a shared care arrangement. Item 16590 has also been amended to clarify that this planning and management service should be used where the medical practitioner is intending to undertake the delivery for a privately admitted patient. Both items will be subject to new EMSN benefit caps.

Item 16590

Planning and management of a pregnancy that has progressed beyond 20 weeks provided the fee does not include any amount for the management of the labour and delivery, payable once only for any pregnancy that has progressed beyond 20 weeks where the practitioner intends to undertake the delivery for a privately admitted patient, not being a service to which item 16591 applies.

Fee: \$306.30 (EMSN cap \$203.00)

Item 16591

Planning and management of a pregnancy that has progressed beyond 20 weeks provided the fee does not include any amount for the management of the labour and delivery if the care of the patient will be transferred to another medical practitioner, payable once only for any pregnancy that has progressed beyond 20 weeks, not being a service to which item 16590 applies.

Fee: \$134.80 (EMSN cap \$101.50)

Also from 1 January 2010, two new referred specialist obstetric consultation items relating to pregnancy will be introduced. These new items numbers 16401 and 16404 are intended to be used instead of items 104 and 105 for any initial and subsequent attendance with a specialist obstetrician for discussion of pregnancy or pregnancy related conditions or complications. However, it is still intended that item 16500 will be billed for routine antenatal attendances.

Both items will be subject to new EMSN benefit caps.

Item 16401

Professional attendance at consulting rooms or a hospital by a specialist in the practice of his or her specialty of obstetrics, after referral of the patient to him or her - each **INITIAL** attendance, in a single course of treatment, not being a service to which item 104 applies.

Fee: \$80.85 (EMSN cap \$50.75)

Item 16404

Professional attendance at consulting rooms or a hospital by a specialist in the practice of his or her specialty of obstetrics after referral of the patient to him or her - each attendance **SUBSEQUENT** to the first attendance in a single course of treatment.

Fee: \$40.60 (EMSN cap \$30.45)

It is important to note that medical practitioners are required to bill the Medicare item that best describes the service that they provide. Additionally, under the *Health Insurance Act 1973*, the amount that is specified on the account must be the amount charged for the service that is specified. This means that any component for other goods or services that are not part of the MBS item that is being billed must not be included in the fee for that item. For example, the fee charged for a service cannot be loaded onto the fee for another service.

I am seeking your cooperation to ensure medical practitioners are aware of the new items and the EMSN changes commencing 1 January 2010. Medicare Australia has also written to all obstetricians, all IVF doctors, all GPs who bill pregnancy items and to diagnostic imaging practices that provide pregnancy ultrasound items, to inform them of these changes.

I have enclosed a fact sheet with answers to the most frequently asked questions regarding the EMSN changes, increased fees and new items. This fact sheet is also available on the MBS online website at www.mbsonline.gov.au

If there are any questions regarding the operation of EMSN benefit caps, I would encourage you to direct practitioners to Medicare Australia's provider hotline on 132 150.

If you would like to discuss any of the issues raised in this letter, please contact me on (02) 6289 5892.

Yours sincerely



Jenny Williams
Director
Schedule Production and Review Section
Medicare Benefits Branch

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Cc: Dr Hilary Joyce, National Association of Specialist Obstetricians and Gynaecologists,
Dr Chris Mitchell, President, The Royal Australian College of General Practitioners
Dr Edward Weaver, President, The Royal Australian and New Zealand College of
Obstetricians and Gynaecologists