



10 January 2023

Dr Pradeep Philip
Chair
Review of Medicare Integrity and Compliance
Department of Health and Aged Care
GPO Box 9848
Canberra ACT 2601

By email: IntegrityReview2023@health.gov.au

Dear Dr Philip

RE: Review of Medicare Integrity and Compliance

Thank you for the opportunity to meet with you as part of the Review of Medicare Integrity and Compliance commissioned by the Minister for Health and Aged Care. Ahead of our meeting on 11 January 2023, we wish to provide you with some background information to assist with the desktop review you are undertaking into this topic.

The Royal Australian College of General Practitioners (RACGP) has engaged with the Department of Health and Aged Care (the Department) and the Professional Services Review (PSR) on Medicare compliance issues for many years. The RACGP has always supported ethical and responsible billing practices. However, we have long maintained that the Medicare Benefits Schedule (MBS) is unnecessarily complex and does not reflect the way general practitioners (GPs) deliver person-centred, comprehensive, and holistic healthcare. This complexity is contributing to inadvertent billing errors and technical non-compliance, rather than deliberate non-compliance.

We understand that as part of the review you are considering integrity risks related to Medicare payment channels, including whether some claiming channels are more susceptible to misuse and fraud. The RACGP considers the complexity of the MBS (eg unclear billing rules, overly complex item descriptors and explanatory notes) to be of greater concern than claiming channels. However, our members have observed that where feasible, enabling claiming channels to instantly reject claims that are non-compliant would prevent a great deal of stress and worry, and provide instant information for GPs regarding non-compliant billings.

The RACGP is supportive of Medicare compliance educative processes focusing on prevention of incorrect claiming, rather than punitive measures and blunt instruments which can distract providers from delivering appropriate and high-quality care to patients. Where reasonable, providers should be given the opportunity to rectify issues with their billing before being required to repay funds.

Medicare compliance is a key concern for GPs – our 2022 [Health of the Nation report](#) found GPs are changing their billing behaviour due to fear of compliance activities and confusion around claiming rules. As you would be aware, GPs kept their doors open throughout the COVID-19 pandemic and continued caring for patients despite the risks to their own health. Now that virtually all pandemic restrictions have ended, GPs have been dealing with patients who have delayed critical appointments and screenings and whose mental health concerns have worsened significantly. The last thing GPs need is an excessive regulatory burden that takes time away from patients who desperately need their help.

I, like many of my colleagues, was bitterly disappointed to read the baseless allegations levelled at our profession as part of the joint 7.30 and Nine newspapers Medicare ‘investigation’. The claims made by these media outlets



that \$8 billion is being rorted annually from Medicare has been publicly refuted in Senate estimates hearings by both Department Secretary Professor Brendan Murphy, and head of the Benefits Integrity and Digital Health Division Daniel McCabe.

The stories published as part of this 'investigation' demonstrated a clear lack of understanding of the Medicare compliance process and the various stages involved. To provide just one example, a [story published on ABC Online](#) on 24 October 2022 highlighted the PSR's apparent inability to detect fraudulent activity because it investigates just 0.07% of health professionals each year. There was zero acknowledgement of the fact that the PSR investigates only the most serious cases of potential non-compliance, and many other health professionals are identified each year through other compliance interventions initiated by the Department (eg targeted letter campaigns and audits).

For reference, we have compiled some information and examples of recent compliance campaigns and the complexity of the MBS (**Appendix A**). I also refer you to the submission we made to the Australian National Audit Office's (ANAO) *Managing Health Provider Compliance* [audit](#) in December 2019 for more information (**Appendix B**). This submission outlines the key issues with Medicare compliance processes identified by our members.

Also attached is a copy of our submission to the Department's review of section 92 of the *Health Insurance Act 1973* (**Appendix C**). The submission states that section 92 processes must demonstrate fairness, be open and transparent and reliant on peer review. It provides examples based on member feedback where the section 92 process has been inconsistent with these principles.

I look forward to meeting with you on 11 January to discuss these matters further. If you have any questions in the meantime, please contact Michelle Gonsalvez, National Manager – Policy and Advocacy, on (03) 8699 0490 or via michelle.gonsalvez@racgp.org.au.

Yours sincerely

Dr Nicole Higgins
President