



**Australian Government**  
**Department of Health and Ageing**

SECRETARY

Ms Christine McDonald  
Secretary  
Standing Committee on Finance and Public Administration  
Legislation Committee  
PO Box 6100  
CANBERRA ACT 2600

Dear Ms McDonald

Thank you for your letter of 26 March 2012 inviting the Department of Health and Ageing to provide a written submission on issues relevant to the Inquiry into the Health Insurance (Dental Services) Bill 2012 [No.2] (the Bill).

It is important to note that the Department of Human Services (DHS) is responsible for administering the Medicare Benefits Schedule under which benefits for the Medicare Chronic Disease Dental Scheme (CDDS) are made available. This responsibility extends to the detection of inappropriate claiming and conduct of audits of dentists to ensure their billing procedures are correct. As such, the Department of Health and Ageing cannot comment on issues relating to the concerns of the dental profession in regard to the audit process. We are advised that DHS will be providing a submission to the Inquiry.

However, given that the Bill addresses an area of government policy that is the responsibility of the Minister for Health, information is provided for the Committee's consideration in the attached submission.

I trust that the attached information is of assistance to the Committee.

Yours sincerely

Jane Halton PSM  
Secretary

20 April 2012



**Australian Government**  
**Department of Health and Ageing**

**SUBMISSION TO THE SENATE STANDING COMMITTEE ON FINANCE AND  
PUBLIC ADMINISTRATION, LEGISLATION COMMITTEE**

***Inquiry into the Health Insurance (Dental Services) Bill 2012 [No. 2]***

**Background**

The audit activities conducted by the Department of Human Services (DHS) investigated dentists' compliance with s10 of the *Health Insurance (Dental Services) Determination 2007* (the Determination).

The Determination establishes the Medicare Chronic Disease Dental Scheme (CDDS) which was introduced on 1 November 2007. The CDDS provides up to \$4,250 over two calendar years in Medicare benefits for private dental services for people with a chronic medical condition and complex care needs. The patient must be receiving coordinated care for their condition through a GP Management Plan and Team Care Arrangement, or a Multidisciplinary Care Plan.

A General Practitioner (GP) must form the opinion that the patient is suffering from a chronic medical condition, has complex care needs and that their oral health is impacting on, or likely to impact on, their general health. If the GP is satisfied the patient meets these eligibility criteria the GP may then refer the patient for dental services under the Scheme.

**Requirements under Section 10 of the Determination**

Section 10 of the Determination provides as follows:

**10 Quotation for dental services and reporting**

- (1) This section applies if:
  - (a) an eligible dentist, an eligible dental specialist or an eligible dental prosthetist performs an initial examination and assessment of an eligible patient, including consideration of any diagnostic tests; and
  - (b) provides a course of treatment to the patient.
  
- (2) An item in Schedule 1 applies to a dental service included in the course of treatment only if, before beginning the course of treatment, the eligible dentist, eligible dental specialist or eligible dental prosthetist:
  - (a) gave to the eligible patient, in writing:
    - (i) a plan of the course of treatment; and

- (ii) a quotation for each dental service and each other service (if any) in the plan; and
- (b) gave a copy or written summary of the plan to the general practitioner who referred the patient for dental services.

Section 10 was included in the Determination to support the Scheme's coordinated approach to health care.

Section 10 (2)(a)(i) specifies that the dental provider is required to provide the patient with a written treatment plan before beginning a course of treatment. The dental provider is also required to provide the referring GP with a copy or written summary of the treatment plan before commencing a course of treatment for the patient. These requirements ensure clear communication relating to proposed treatment of patients with complex care needs between the patient, dental practitioner and the referring GP. This communication is vital in assisting the GP to manage the patient's medical condition and plan for the patient's ongoing care needs.

Section 10(2)(a)(ii) also requires the patient to be given the opportunity to provide informed financial consent before commencing a course of dental treatment under the scheme. Private dental providers may charge a fee above the amount of the Medicare benefit set for any given item. It is therefore of particular importance that patients are provided with an itemised quote so that they can understand any out of pocket costs they may be incurring and provide their informed financial consent before proceeding.

It is the responsibility of all health professionals who bill or claim benefits under the Medicare program to acquaint themselves with the requirements and to ensure their claims are fully compliant.

#### **Communications with the Dental Profession**

The incumbent Minister for Health and Ageing and the Department of Health and Ageing have written directly to dental professionals and to the relevant dental professional groups on a number of occasions including Ministerial advice in October 2007 and July 2008; and Departmental advice in October 2007 and March 2008 informing them about the CDDS operational requirements. DHS has also communicated with providers on at least two occasions.

Information about the CDDS and its requirements have been publicly available on the Department of Health and Ageing website and DHS / Medicare Australia website since the scheme's implementation. Both websites have been kept up to date regarding the operation of the CDDS. The CDDS requirements are also clearly outlined in the Medicare Benefits Schedule Dental Services book, which also contains the Schedule of Items that can be provided by eligible practitioners and a checklist to assist providers to comply with the requirements of the Scheme.

#### **The Government's Policy Position on Dental Health**

The Department notes that it is the Government's intention to close the CDDS, although no closure date is currently set. A date and appropriate transition arrangements for the closure will be detailed when the necessary arrangements for the closure are made and tabled in Parliament.