

**Senate Community Affairs Committee**

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

**Supplementary Budget Estimates 2016 - 2017, 19 October 2016**

**Ref No:** SQ16-000477

**OUTCOME:** 4 - Individual Health Benefits

**Topic:** Excessive Surgeons Fees - Out of Pocket

**Type of Question:** Written Question on Notice

**Senator:** Griff, Stirling

**Question:**

What, if any, consideration has been given to implementing an upper ceiling on gap charges so as to protect consumers?

**Answer:**

The Australian Government currently assists patients with their out-of-pocket costs through a number of Medicare safety nets. The most significant is the extended Medicare safety net (EMSN) which provides an increase in benefits once an annual threshold of out-of-pocket costs for Medicare funded out-of-hospital services has been reached.

Once the relevant threshold has been met, Medicare will pay for 80 per cent of any further out-of-pocket costs for out of hospital Medicare funded services for the remainder of the calendar year. There are two thresholds for EMSN eligibility: A concessional threshold for people with a concession card, and for families who qualify for Family Tax Benefit Part (A); and a general (or upper) threshold for all other singles and families. The concessional threshold in 2016 is \$647.90 and the general threshold is \$2,030.