

**Senate Finance and Public Administration Legislation Committee**

**ADDITIONAL ESTIMATES – 9 FEBRUARY 2010  
ANSWER TO QUESTION ON NOTICE**

**Human Services Portfolio**

**Topic:** Electronic Medicare claiming

**Question reference number:** HS37

**Senator:** FIFIELD

**Type of question:** Hansard F&PA pages 117, 9 February 2010

**Date set by the committee for the return of answer:** 26 March 2010

**Number of pages:** 2

**Question:**

**Senator FIFIELD** – I am sure they are. Also, in relation to electronic Medicare claiming, what work has Medicare done to cost the administrative and financial impact on medical practices for processing Medicare claims on behalf of the patients? Is that doable?

**Ms O'Brien** – When the Easyclaim system was first implemented or first planned to be implemented two or three years ago, we commissioned some research into the impact on practices. The results indicated that there were efficiencies to practises in bulk-billing, using the electronic channels. There were quite significant efficiency gains there. There was not significant additional time and effort associated with patient claiming channels. I do not have the exact details with me, but I can go back and look at that research again and bring this forward.

**Answer:**

In September 2007, a review was commissioned to assess the impact on medical practices of adopting various Medicare billing methods. The study involved an impact assessment of shifting to the proposed Easyclaim solution delivered as either a stand alone device (not integrated with the practice management system) or a fully integrated solution (integrated with the practice management system).

The study concluded that a practice that operated manually (no practice management system in place) would make savings in transmitting both bulk bill and patient claims using the proposed Easyclaim solutions. It was found that these savings would be further increased where the Easyclaim device was integrated with practice management software. Integration reduces the need for the re-keying of information, as bill details and benefit assignment are automatically provided by the practice management software.

The study found that practices using a practice management system with no electronic patient claiming facility would incur additional time and may incur additional costs in offering the proposed Easyclaim solutions. It was found that costs would be reduced where the Easyclaim device was integrated with practice management software.

In response, the government released a measure in the 2008-09 Budget designed to promote the development of integrated Easyclaim solutions. The government paid \$5.8 million for the development of solutions that integrated Easyclaim with practice management software. The Commonwealth Bank, National Australia Bank and Tyro Payments now have integrated Medicare Easyclaim solutions on the market.