

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Human Services and agencies**

Budget Estimates 2005-2006, 26 May 2005

**Question: HS100**

**Outcome 1, Output Group 1.1**

**Topic: Medicare Australia – Pregnancy termination services**

**Hansard Page/Written Question on Notice: Written**

**SENATOR NETTLE** asked on 26/05/2005:

1. There have been recent reports that the Health Insurance Commission has successfully prosecuted a provider of pregnancy termination services for illegal billing. Can you provide details about this?
2. Can you confirm that it is now illegal for a service provider to bulk bill and charge for use of an anaesthetic if the provider is not licensed? If so, what are the implications of this for access to termination services?
3. Can you confirm that, as a result of this change that unlicensed providers or providers who choose not to use a general anaesthetic will now have to charge an up-front fee of approximately \$500 to provide a pregnancy termination service?

Answers:

1. On 29 April 2005, Dr Suman Sood, General Practitioner at the Australian Women's Health Clinic, Fairfield, NSW appeared before the District Court Sydney, NSW for sentencing and was found guilty of the following offences:
  - Charge 1 - one count of obtaining financial advantage by deception - section 134.2 of the *Criminal Code 1995*; and
  - Charges 2 to 96 - 95 counts of obtaining financial advantage by deception - section 134.2 of the *Criminal Code 1995*.

Dr Sood was sentenced to:

- Charge 1 – 300 hours community service order, to report to NSW Probation & Parole Service, City District Office within 5 days; and
- Charges 2 to 96 – fined \$250.00 in each case (total fine \$23,750.00)

On 9 June 2005, Dr Sood was referred to the Medicare Participation Review Committee for a determination about her continued participation in Medicare.

2. If a provider is not licensed, therefore un-registered, they would not be eligible to access Medicare benefits and therefore unable to bulk-bill. A provider must be registered in the State or Territory where they provide services to be allocated a provider number and be eligible to access Medicare benefits.

There has been no change to the legislation relating to patient co-payment when a service is being bulk-billed. Under the *Health Insurance Act 1973* s20 (1) (b) if a provider accepts the patients assignment of the Medicare benefit (bulk-bill), they must accept this as full payment of the medical expenses incurred in respect of the professional service given. Therefore a provider cannot legally charge a patient and also bulk-bill them for one

Medicare Benefit Schedule item number, such as a general anaesthetic, which relates to a single service.

As there has been no change, there are no implications on the access to termination services.

3. As stated above, there has been no change to the requirement that a co-payment is not permitted when a service is bulk billed.