

Senate Finance and Public Administration Standing Committee

SUPPLEMENTARY BUDGET ESTIMATES – 20 October 2009 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: Recovery of benefits paid

Question reference number: HS64

Senator: Bernardi

Type of question: *Written*

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Question:

At the last Estimates Senator Ludwig stated that Medicare aimed to recover about \$145 million in four years. (F&PA Estimates Hansard, 28.5.09, pp.150–1) What has been the total amount recovered for the 2008–09 financial year?

Answer:

The reference to \$145 million over four years relates to the savings figure for the Increased Medicare Benefits Schedule Compliance Audits budget measure announced in the 2008–09 budget which announced savings of \$147 million.

The savings figure is the total of monies returned to government through the raising of a debt, the change to the future claiming behaviour of the person audited, and the deterrence effect of compliance activity to the wider claiming community.

The total amount of savings produced by Medicare Australia's compliance activities in 2008–09 is calculated as \$275 million. Included in this is more than \$6.18 million in incorrect payments from 917 entities and individuals.