

# Connecting Health Services with the Future: Modernising Medicare by Providing Rebates for Online Consultations: Program Guidelines: MBS Items and Financial Incentives for Telehealth

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## **1 Background**

The Australian Government has committed to providing Medicare rebates and financial incentives for online consultations across a range of medical specialties under the ‘*Connecting Health Services with the Future: Modernising Medicare by Providing Rebates for Online Consultations*’ initiative. The initiative will address some of the barriers to accessing medical services, and specialist services in particular, for Australians in remote, regional and outer metropolitan areas.

The initiative includes:

- Telehealth MBS Items;
- Financial Incentives; and
- Training and supervision for health professionals using online technologies.

This document outlines the basis of the Medicare Benefits Schedule (MBS) and financial incentive components of the initiative. It should be read in conjunction with the item descriptors and Explanatory Notes for the relevant Telehealth MBS Items <sup>1</sup>(at [www.mbsonline.gov.au/telehealth](http://www.mbsonline.gov.au/telehealth)).

Careful attention should be paid to Section 9 of this document which defines a range of terms used throughout the guidelines and other material.

Residential Aged Care Facilities (RACFs) registering for financial incentives should make particular note of their obligations when submitting forms<sup>2</sup>.

### About Telehealth

Telehealth offers the potential for significant benefits for Australia’s population, particularly in remote, regional and outer metropolitan areas. Telehealth consultations will, in many cases, provide patients in these areas with access to specialists sooner than would otherwise be the case, and without the time and expense involved in travelling to major cities.

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<sup>1</sup> All references to MBS items in this document include DVA billed services.

<sup>2</sup> Declarations and obligations are outlined on the forms.

Telehealth will be able to connect patients in Eligible Geographical Areas with specialists<sup>3</sup> across Australia through online video consultations.

There will also be an opportunity to improve continuity of care and quality of care through the participation of the patient's usual healthcare provider in the specialist consultation.

## **2 Telehealth MBS Items**

From 1 July 2011, 11 new MBS items will be available for telehealth consultations provided by specialists, consultant physicians and consultant psychiatrists. These new items will allow a range of existing MBS attendance items to be provided via video conferencing, with a derived fee adding to the base item fee. This additional derived fee recognises the increased time and complexity of undertaking a consultation via video conferencing.

In addition, new MBS items will be introduced for Patient-end Services. These will enable GPs, other medical practitioners, nurse practitioners, midwives, Aboriginal health workers and practice nurses to provide face to face clinical services to the patient during the consultation with the specialist. These items have higher fees in recognition of the time and complexity of the service.

Telehealth MBS Items may be billed where a specialist consultation is conducted via video conferencing with a non-admitted patient who: is located in an Eligible Geographical Area; is a care recipient at a Residential Aged Care Facility; or is in an Aboriginal Medical Service.

Details of Eligible Geographical Area can be obtained from [www.mbsonline.gov.au/telehealth](http://www.mbsonline.gov.au/telehealth)

## **3 Incentive Program**

A range of financial incentives will be introduced from 1 July 2011 to encourage and support the provision of telehealth services to Australians in Eligible Geographical Areas and in Residential Aged Care Facilities (RACFs) and Aboriginal Medical Services throughout Australia. Specifically, the incentives encourage:

- Eligible Telehealth Practitioners to provide Eligible Telehealth Services to their patients; and
- RACFs to provide Hosting Services to their residents.

Telehealth Incentives are intended to encourage practitioners and RACFs to adopt telehealth. They will also provide practitioners and RACFs with the opportunity to provide patients with telehealth services while developing business models which will support these services in the future.

Five types of Incentives are available for practitioners and RACFs:

- Telehealth On-Board Incentive;
- Telehealth Service Incentive;
- Telehealth Bulk Billing Incentive;
- RACF On-Board Incentive; and
- Telehealth Hosting Service Incentive.

### **3.1 Telehealth On-Board Incentive**

A Telehealth On-Board Incentive is a time limited, one-off payment which is made to an Eligible Telehealth Practitioner. A Telehealth On-Board Incentive will be paid to an Eligible Practitioner upon the first occasion that a Medicare benefit is paid for a Telehealth MBS Item billed against a practitioner's provider number.

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<sup>3</sup> All references to specialists in this document include Consultant Physicians and Consultant Psychiatrists.

**Eligibility**

To be eligible to receive a Telehealth On-Board Incentive Payment, an individual<sup>4</sup> must:

- be an Eligible Telehealth Practitioner;
- provide an Eligible Telehealth Service; and
- not have previously received a Telehealth On-Board Incentive Payment.

**Claiming and Payments**

This type of incentive does not require submission of an application or claim form. Medicare Australia will automatically determine eligibility based on Medicare claiming information, and make incentive payments to the bank account listed for the relevant provider number. Telehealth On-Board Incentive payments will be calculated using the amounts outlined in Table 3.1-1 (based on the date of service).

**Table 3.1-1 Telehealth On-Board Incentive Payment Amounts**

Incentive	2011-12	2012-13	2013-14	2014-15
Telehealth On-Board Incentive	\$6,000	\$4,800	\$3,900	\$3,300

**3.2 Telehealth Service Incentive**

A Telehealth Service Incentive is a time-limited, per service payment to encourage Eligible Practitioners to continue to provide Eligible Telehealth Services. A Telehealth Service Incentive will accrue to a practitioner each time a Medicare benefit is paid for Telehealth MBS Item billed against a practitioner’s provider number.

**Eligibility**

To be eligible to receive a Telehealth Service Incentive Payment, an individual must:

- be an Eligible Telehealth Practitioner ; and
- provide an Eligible Telehealth Service.

**Claiming and Payments**

This type of incentive does not require submission of an application or claim form. Medicare Australia will automatically determine eligibility based on Medicare claiming information (once a Telehealth MBS Item is bulk billed or claimed by a patient), and make incentive payments to the bank account listed for the relevant provider number.

Two different payment levels are available for this type of incentive, depending on whether the practitioner provides a specialist, or Patient-end Service. Telehealth On-Board Incentive payments will be calculated using the amounts outlined in Table 3.2-1 (based on the date of service).

**Table 3.2-1 Telehealth Service Incentive Payment Amounts**

Incentive	2011-12	2012-13	2013-14	2014-15
Telehealth Service Incentive (specialist)	\$60	\$48	\$39	\$33
Telehealth Service Incentive (patient-end)	\$40	\$32	\$26	\$22

Telehealth Service Incentives accrue to a practitioner each time a Medicare benefit is paid for a Telehealth MBS Item, and a single payment will be made once per Payment Quarter. Where benefits for an Eligible Telehealth Service are paid after the closing date for a payment run, the amount will be accrued toward the next quarterly payment.

<sup>4</sup> Eligible Telehealth Practitioners who hold more than one provider number are considered a single Eligible Telehealth Practitioner (and are eligible for a single Telehealth On-Board Incentive Payment only).

### 3.3 Telehealth Bulk Billing Incentive

A Telehealth Bulk Billing Incentive is a time-limited, per service payment to encourage Eligible Practitioners to bulk bill telehealth consultations. A Telehealth Bulk Billing Incentive will accrue to a practitioner each time a Telehealth MBS Item is bulk billed against a practitioner's provider number.

#### Eligibility

To be eligible to receive a Telehealth Bulk Billing Incentive, an individual must:

- be an Eligible Telehealth Practitioner; and
- bulk bill a Telehealth MBS Item.

#### Claiming and Payments

This type of incentive does not require submission of an application or claim form. Medicare Australia will automatically determine eligibility based on Medicare claiming information (once a Telehealth MBS Item is bulk billed), and make incentive payments to the bank account listed for the relevant provider number.

Telehealth Bulk Billing Incentive payments will be calculated using the amounts outlined in Table 3.3-1 (based on the date of service).

**Table 3.3-1 Telehealth Bulk Billing Payment Amounts**

Incentive	2011-12	2012-13	2013-14	2014-15
Telehealth Bulk Billing Incentive	\$20	\$16	\$13	\$11

Telehealth Bulk Billing Incentives accrue to a practitioner each time a Telehealth MBS Item is bulk billed by a practitioner, and a single payment will be made once per Payment Quarter. Where a Telehealth MBS Item is bulk billed after the closing date for a payment run, the incentive will be accrued toward the next quarterly payment.

### 3.4 RACF On-Board Incentive

A RACF On-Board Incentive is a one-off payment which is made to an Eligible RACF to encourage the provision of appropriate facilities and resources to host telehealth consultations. A RACF Telehealth On-Board Incentive will be paid to an Eligible RACF upon confirmation of eligibility by Medicare Australia (including the service provision requirement below).

#### Eligibility

To be eligible for a RACF On-Board Incentive, a RACF must:

- possesses sufficient equipment and facilities to host a telehealth consultation;
- be registered with Medicare Australia; and
- provide at least one (1) Hosting Service.

#### Claiming and Payments

RACFs applying for this Incentive will need to have provided at least one (1) Hosting Service and then submit the following form to Medicare Australia: [Application for Telehealth Host Incentive Payment](#) (available from the Health Professionals section of the Medicare Australia web site: [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au)).

The completed form must be posted to:

Telehealth Incentives Program  
GPO Box 2572  
ADELAIDE SA 5001

Or faxed to: 08 8274 9352

For assistance with completing the form, call Medicare Australia on 1800 222 032.

Upon receipt of the application form, Medicare Australia will establish the eligibility of the facility and if eligible, will:

- register the RACF as an Eligible Residential Aged Care Facility;
- make the Telehealth Host Incentive payment; and
- provide the applicant with advice of this payment via an on-line statement.

RACF On-Board Incentive payments will be calculated using the amounts outlined in Table 3.4-1.

**Table 3.4-1 RACF On-Board Incentive Payments Amounts**

Incentive	2011-12	2012-13	2013-14	2014-15
RACF On-Board Incentive	\$6,000	\$4,800	\$3,900	\$3,300

The RACF On-Board Incentive payment will be deposited via electronic funds transfer (EFT) to the bank account where aged care payments are usually made for the RACF. This payment will be included in the next monthly Aged Care Services payment run.

### **3.5 Telehealth Hosting Service Incentive**

A Telehealth Hosting Service Incentive is a time-limited, per service payment to encourage Eligible RACFs to provide ongoing Hosting Services. RACFs will need to provide evidence of having provided Hosting Services through a claim form submitted to Medicare Australia.

#### Eligibility

To be eligible for a Telehealth Hosting Service Incentive Payment, the RACF must:

- be an Eligible RACF
- provide one or more Telehealth Hosting Services, to patient(s) within the claim period;
- submit the number of hosted services to Medicare Australia in a claim for payment; and have that claim accepted by Medicare Australia.

#### Claiming and Payments

To receive Telehealth Hosting Service Incentives, a RACF must submit a claim for payment to Medicare Australia, using the following form: Claim for Telehealth Hosting Service Incentive Payment (available from the Health Professionals section of the Medicare Australia web site: [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au)).

The completed form must be posted to:

Telehealth Incentives Program  
GPO Box 2572  
ADELAIDE SA 5001

Or faxed to: 08 8274 9352

For assistance with completing the form, call Medicare Australia on 1800 222 032.

The Telehealth Hosting Service Incentive payment claims should be lodged on a monthly basis.

Telehealth Hosting Service Incentive payments will be calculated using the amounts outlined in Table 3.5-1.

**Table 3.5-1 Telehealth Hosting Service Incentive Payment Amount**

Incentive	2011-12	2012-13	2013-14	2014-15
Telehealth Hosting Service Incentive	\$60	\$48	\$39	\$33

The Telehealth Hosting Service Incentive payment will be deposited via electronic funds transfer (EFT) to the bank account where aged care payments are usually made for the RACF. This payment will be included in the next monthly Aged Care Services payment run and will be included in your on-line statement.

#### **4 Exclusions**

Telehealth MBS Items may not be billed where the patient is an admitted patient in a public or private hospital.

#### **5 GST Treatment**

GST is not applicable to Telehealth Incentives.

#### **6 Changes to guidelines**

These guidelines, including incentive amounts and eligibility criteria, may be amended by the Australian Government (as represented by the Department of Health and Ageing) at any time.

#### **7 Cessation of incentives**

Telehealth Incentives may be adjusted or ceased by the Australian Government at any time, without notice. Should the Australian Government announce the cessation of the Telehealth Incentives program, no further claims for RACF On-Board Incentives, or Telehealth Hosting Service Incentives will be accepted, and practitioners will no longer be eligible for Telehealth On-Board Incentives Telehealth Service Incentives, or Telehealth Bulk Billing Incentives (including where services have already been provided, but not yet claimed).

#### **8 Further information**

Further information on MBS Items and Financial Incentives for telehealth is available from <http://www.mbsonline.gov.au/telehealth>.

Enquiries regarding incentives eligibility, payments and Aged care facility registration can be directed to Medicare Australia:

Tel: 1800 222 032

Fax: 08 8274 9352

Email: [telehealth@medicareaustralia.gov.au](mailto:telehealth@medicareaustralia.gov.au)

Enquiries regarding Telehealth MBS Items can be directed to the Medicare provider enquiry line:

Tel: 132 150

#### **9 Definitions**

##### **Telehealth Consultation**

A consultation between a patient and a specialist performed by video conferencing.

##### **Telehealth Incentive**

A payment (outside the MBS) to an Eligible Telehealth Practitioner or an Eligible Residential Aged Care Facility for providing an telehealth consultation, which is a:

- Telehealth On-Board Incentive;
- Telehealth Service Incentive;
- Telehealth Bulk Billing Incentive;
- RACF On-Board Incentive; or
- Telehealth Hosting Service Incentive.

### Telehealth On Board Incentive

A one-off Telehealth Incentive Payment to an Eligible Telehealth Practitioner which is upon the first occasion that a Medicare benefit is paid for a Telehealth MBS Item billed against that practitioner's provider number.

### Telehealth Bulk Billing Incentive

A Telehealth Incentive Payment to an eligible telehealth practitioner which is made on each occasion that an Eligible Telehealth Practitioner bulk bills Telehealth MBS Item.

### Telehealth Service Incentive

A Telehealth Incentive Payment to an eligible telehealth practitioner which is made on each occasion that a Medicare benefit is paid for a Telehealth MBS Item billed against that practitioner's provider number.

### RACF On-Board Incentive

A Telehealth Incentive Payment to an Eligible Residential Aged Care Facility which is made upon confirmation of eligible status, including confirmation of service provision, by Medicare Australia.

### Telehealth Hosting Service Incentive

A Telehealth Incentive Payment to an Eligible Residential Aged Care Facility which is made monthly, based on the number of Hosting Services provided.

### Telehealth MBS Item

Telehealth MBS Items are those MBS Items listed at [www.mbsonline.gov.au/telehealth](http://www.mbsonline.gov.au/telehealth), and updated from time to time.

Telehealth MBS Items do not include telepsychiatry items (353, 355, 356, 357, 358, 359, 361, 364, 366, 367, 369 and 370.)

### Eligible Geographical Area

An area (outside inner metropolitan) defined as Telehealth Eligible by the Department of Health and Ageing on the website: [www.mbsonline.gov.au/telehealth](http://www.mbsonline.gov.au/telehealth), and updated from time to time.

### Eligible Telehealth Practitioner

For the purposes of receiving financial incentives under this program, an Eligible Telehealth Practitioner is any medical practitioner who is eligible to claim Telehealth MBS Items.

Eligible Telehealth Practitioners who hold more than one provider number are considered a single Eligible Telehealth Practitioner (and are eligible for a single Telehealth On-Board Incentive Payment only).

### Eligible Residential Aged Care Facility

An Eligible Residential Aged Care Facility is a facility where care and accommodation are provided to residents under the *Aged Care Act 1997* (including Residential Aged Care Services) and which meets the following eligibility requirements:

- possesses sufficient equipment and facilities to host a telehealth consultation;
- is registered with Medicare Australia; and
- has been assessed by Medicare Australia as meeting the above eligibility requirements.

### Eligible Telehealth Service

An Eligible Telehealth Service is a Specialist Service or a Patient-end Service which is provided under a Telehealth MBS Item.

### Specialist Services

Specialist Services are Eligible Telehealth Services provided by specialists and consultant physicians to patients:

- in an Eligible Geographical Area;
- in an Aboriginal Medical Service; or
- who are care recipients at an Eligible Residential Aged Care Facility

by video conferencing.

### Patient-end Service

Patient-end Services are Eligible Telehealth Services provided by a GP, other medical practitioner/midwife/ nurse practitioner/ practice nurse or Aboriginal health worker co-located with a patient who is receiving a Specialist Service.

### Hosting Service

A service provided by an Eligible Residential Aged Care Facility which enables a patient to participate in an Eligible Telehealth Service with a remote specialist, where the Eligible Telehealth Service attracts a MBS rebate for the specialist end of the consultation. A Telehealth Hosting Service must provide a patient with:

- use of all necessary equipment and facilities; and
- access to appropriate support (if needed)

to participate in a consultation with a medical specialist via video conference.

### Payment Quarter

The period during which Telehealth Service Incentives accrue for a single payment. Currently:

<b>Quarter</b>	<b>Paid</b>
July - September	Mid October
October - December	Mid January
January - March	Mid April
April - June	Mid July