

**Australian Medical Association Limited**  
**ABN 37 008 426 793**

42 Macquarie Street, Barton ACT 2600: PO Box 6090, Kingston ACT 2604  
 Telephone: (02) 6270 5400 Facsimile (02) 6270 5499  
 Website : <http://www.ama.com.au/>



**GOVERNMENT IN DANGER OF HISTORY REPEATING WITH  
 MEDICARE REBATE CHANGES**

Just weeks before the biggest changes to Medicare in decades, the Federal Government and the private health sector are grappling with the huge number of changes that have only just been released, leading to the potential for chaos for patients.

More than 900 Medicare Benefits Schedule (MBS) items for rebates for private surgery are set to change on 1 July as part of the MBS Review of all 5,700 Medicare rebates.

The latest changes will affect rebates for orthopaedic surgery, general surgery and heart surgery.

“The AMA is concerned that the private healthcare sector – including health funds, hospitals, doctors and patients – will not be ready for the 1 July changes due to poor implementation by the Government,” AMA President, Dr Omar Khorshid, said today.

“Less than one month out from the implementation of these changes, and we still do not have all the information we need to assess and change over our schedules and payment processes to reflect the changes.

“We had enough problems in November 2018 when the first tranche of MBS Review changes resulted in private health insurers, through no fault of their own, not having their schedules updated in time.

“That meant that no-gap arrangements were not possible or were significantly delayed leading to uncertainty for doctor and patient alike.

“Patients were left out of pocket, spinal surgeries were delayed, and doctors couldn’t provide patients with informed financial consent about potential gap fees.

“Those changes involved replacing 70 spinal surgery items with 60 new items.

“The 1 July changes involve expected changes to 594 orthopaedic surgery items, 150 general surgery items, and 188 cardiac surgery items.

“After the spinal surgery debacle, the AMA and the private health sector told the Department of Health that six months’ lead time is needed ahead of MBS changes.

“More than two years later, we are facing the same problems, but with more than ten-fold the volume and complexity.

“This will put significant financial and operational risk on health insurers and private hospitals, and leaves doctors and patients scrambling and confused about what and how to bill against Medicare and private health insurance policies come 1 July. We simply don’t know what the rebates from funds will be, as they haven’t had the time to prepare and release them in advance – including for surgeries already booked for next month.

“The AMA and other medical groups have worked in good faith with the Government and the MBS Review Taskforce since 2015 to ensure that Medicare provides value to patients and taxpayers, and that it continues to be sustainable.

“We have repeatedly reached out to Government and the Department of Health to communicate the needs of the sector to ensure a smooth transition of the MBS changes.

“However, giving the sector just weeks instead of months to change over its entire system to support almost 1000 changes leaves the health system and patients at risk.

"The Government's reminder to doctors to consider patients' circumstances when charging fees misses the point. At the moment there's no way for doctors to know if they are charging a gap due to the chaos caused by the Department's poor implementation."

“The AMA is calling on the Government to urgently commit to changing the process going forward to avoid past problems, and ensure that this massive change to MBS rebates occurs without disruption to patient care.

“We are also calling on the Government and private health insurers to safeguard patient private health insurance rebates, to ensure that they are not worse off financially, for undergoing orthopaedic, general or cardiac surgery after 1 July due to implementation issues with the MBS.”

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CONTACT: AMA Media: +61 2 6270 5478  
+61 427 209 753  
[media@ama.com.au](mailto:media@ama.com.au)

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