

Extended Medicare Safety Net and EMSN capping for Allied health, including psychology consultations

(for example, sub-groups M.6 and M.7 in the MBS)

This fact sheet provides information on the EMSN benefit caps from 1 November 2012 announced in the 2012-13 Budget for all allied health (including psychology) consultation items.

Separate Fact Sheets provide more information about the Extended Medicare Safety Net (EMSN) and the Original Medicare Safety Net (OMSN) and how EMSN benefit capping will apply to other items.

Why are there EMSN caps for allied health (including psychology) consultation items?

There are EMSN benefit caps for all consultation and attendance items. The caps on all consultation items are equal to 300 per cent of the Medicare Benefits Schedule (MBS) fee to a maximum of \$500.

The introduction of EMSN benefit caps for consultations responds to a number of issues raised in the independent review of safety net arrangements in 2009 and the independent review of EMSN benefit capping in 2011. The changes have been made to support the long term sustainability of the EMSN.

What are the caps on allied health (including psychology) consultation items?

The EMSN benefit cap is 300 per cent of the MBS Fee up to \$500. That is, the EMSN benefit payable will be up to three times the MBS Fee, to a maximum of \$500.

How will I be affected?

The majority of patients will not be affected. The caps placed on consultations are set generously; therefore the caps will only apply in the small number of instances where the doctor's fee results in a calculated EMSN benefit that is higher than the capped amount and where the patient has already reached the EMSN threshold.

Furthermore:

- There is no change in how people qualify for the EMSN.
- There is no impact on in-hospital services as they are not eligible for EMSN benefits.
- There are no changes to the operation of the OMSN.

The following scenarios illustrate how the EMSN caps work. The scenarios assume that the patient has already reached their EMSN threshold and is therefore eligible to receive EMSN benefits.

From 1 November 2012, item 80010, a consultation with a psychologist of at least 50 minutes, has an MBS Fee of \$146.45, an out of hospital MBS rebate of \$124.50 and an EMSN benefit cap of \$439.35.

Example A: No impact to patients due to EMSN caps

If the psychologist charges \$150 for the service, the patient’s out-of-pocket cost before EMSN benefits are paid is \$25.50 (psychologist’s fee minus the MBS rebate received). Assuming the patient has reached the relevant EMSN threshold, the EMSN benefit for this service is calculated to be \$20.40 (80 per cent of the patient’s out of pocket cost).

As the calculated EMSN benefit is below the EMSN benefit cap amount of \$439.35 the patient will receive the full \$20.40 in EMSN benefits. As a result, the total cost incurred by the patient is \$5.10 and EMSN capping has no impact on the patient.

Example B: Impact to patients due to EMSN caps

If the psychologist charges \$680 for the consultation, the patient’s out-of-pocket cost before EMSN benefits are paid is \$555.50 (psychologist’s fee minus the MBS rebate received). Eighty per cent of the out-of-pocket cost would be equal to \$444.40. This amount is higher than the EMSN benefit cap of \$439.35, therefore, assuming the patient has reached the relevant EMSN threshold, the maximum EMSN benefit that the patient will receive is \$439.35. The total MBS benefit for this service is calculated to be \$563.85 (MBS rebate plus the EMSN benefit cap). As a result, the total cost incurred by the patient is \$116.15. The effect of the psychologist billing at this rate means that the EMSN benefit cap has impacted on the patient’s out of pocket cost.

Note: Medicare benefits are rounded up to the nearest 5 cents.

What are the EMSN benefit caps that will apply to the psychology consultation items?

Note: All allied health (including all psychology) consultation items will have an EMSN benefit cap, but only the more commonly claimed items have been included in this table.

Clinical psychology services

Item Number	Brief description of service	EMSN benefit cap (percentage of MBS fee up to \$500)	EMSN cap (\$)
80000	Consultation more than 30 minutes less than 50 minutes, consulting rooms	300%	299.25
80005	Consultation more than 30 minutes less than 50 minutes, other than consulting rooms	300%	373.95
80010	Consultation at least 50 minutes, consulting rooms	300%	439.35

80015	Consultation at least 50 minutes, other than consulting rooms	300%	500.00
80020	Group therapy with a group of 6 to 10 patients (each patient)	300%	111.60

Note: Amounts are correct to 5 cents due to rounding.

Registered psychology services

Item Number	Brief description of service	EMSN benefit cap (percentage of MBS fee up to \$500)	EMSN cap (\$)
80100	Consultation more than 30 minutes less than 50 minutes, consulting rooms	300%	211.95
80105	Consultation more than 30 minutes less than 50 minutes, other than consulting rooms	300%	288.45
80110	Consultation at least 50 minutes, consulting rooms	300%	299.25
80115	Consultation at least 50 minutes, other than consulting rooms	300%	375.90
80120	Group therapy with a group of 6 to 10 patients (each patient)	300%	76.35

Note: Amounts are correct to 5 cents due to rounding.