



Changes to the Bulk-Billing Incentive arrangements and eligibility

From 1 July 2015 the current Bulk-Billing Incentive payments will be stopped for the majority of GP visits and replaced with a Low Gap Incentive Payment holding the same value as current arrangements.

In 2015 the Government estimates that the applicable rebates will be (for a standard level B consultation)

- MBS rebate of \$37.70
- Low Gap Incentive fee of \$6.20

With the reduction in the Medicare Rebate of \$5* the government will contribute \$38.90 towards patients eligible for the Low Gap Incentive payment.

The Low Gap Incentive payment will be available for consultations with Concession Card holders and people under 16 years of age.

However, this incentive will only apply when a GP collects the full \$7 co-payment (but no more). If the co-payment is waived, or not passed on in full, then the GP is no longer eligible for the Low Gap Incentive payment for this consultation.

Doctors are not obliged to bulk-bill any patients and this additional rebate provides an incentive for doctors to bulk-bill.

This means that doctors will now have to charge all patients a minimum of \$7 or lose access to the additional Low Gap Incentive payments. As most GP clinics will not be able to absorb the reduction in the rebate they will have to pass this on to clients.

If a doctor passes on the co-payment to concession card holders and under sixteens they can expect to receive a total fee of \$45.90 (comprising the Medicare Rebate, Low Gap Incentive and \$7 co-payment).

If a doctor chooses to waive the co-payment they will be accepting a 25 per cent reduction in the fee they receive. For a standard level B consultation you could expect to receive only \$32.70 for the consultation, an overall rebate reduction of \$11.20.

This means that all patients, including those that previously had no out-of-pocket expense, will now be liable for up-front costs to see a doctor. Furthermore these costs will not contribute to a persons Medicare Safety Net threshold.

The co-payment will apply to concession card holders and under 16 years olds for the first ten episodes of care (GP visit, imaging and pathology services combined). After this patients will no longer have to pay the co-payment and the Low Gap Incentive will be applied.

This will put healthcare well out of reach for many people, particularly these groups who are already vulnerable.

**From 1 July 2015 the government is introducing a \$7 co-payment for GP visits. This payment is made up of a \$5 reduction in the Medicare rebate and a \$2 increase in what the GP receives.*