Definitions and Abbreviations

Definitions used in this report

• The MBS (Medicare Benefits Schedule) lists the fees set by the Australian Government for services provided by some medical professionals for which a rebate is payable. This rebate is currently 75% of the MBS fee for part of an episode of hospital treatment or hospital-substitute treatment, and 85% of the MBS fee for medical fees incurred out-of-hospital.

• Agreement means an agreement entered into between a medical practitioner, within the meaning of that term in subsection 3 (1) of the Health Insurance Act 1973, and an insurer, under which the practitioner agrees to accept payment by the insurer in satisfaction of the amount that would, apart from the agreement, be owed to the practitioner in relation to the treatment provided to the insured person.

• No gap agreement means an agreement where the medical practitioner agrees to accept a payment by the insurer in full satisfaction of the amount owed so that there is no gap, or no out of pocket expenses to be paid by the insured person.

• Known gap agreement means an agreement where the medical practitioner agrees to accept a payment by the insurer in part satisfaction of the amount owed and the patient has provided informed financial consent so that the gap or out of pocket expense to be paid by the insured person is known in advance.

• No agreement is where there is no agreement in place.

• Amount charged is the invoiced amount or the amount accepted in full payment (if known).

• Medicare benefit is the amount calculated by reference to the fees for medical services set out in the table of schedule fees.

• Fund benefit is the amount the fund pays in full or part satisfaction of the amount owed to the provider in excess of the Medicare benefit.

• Gap is the amount paid by the insured person, or their out of pocket expense, and is calculated as: (Amount charged) – (Medicare benefit) – (Fund benefit) = Gap. Negative gap is due to adjustments from the previous quarters. Gap shown where there should be no gap is due to rounding of components.