

# SESLHD PROCEDURE COVER SHEET



**Health**  
South Eastern Sydney  
Local Health District

<b>NAME OF DOCUMENT</b>	Medicare Ineligible Patients – General Fees
<b>TYPE OF DOCUMENT</b>	Procedure
<b>DOCUMENT NUMBER</b>	SESLHDPR/425
<b>DATE OF PUBLICATION</b>	August 2015
<b>RISK RATING</b>	Low
<b>LEVEL OF EVIDENCE</b>	NSQHS Standards 11.1, 11.2
<b>REVIEW DATE</b>	August 2020
<b>FORMER REFERENCE(S)</b>	PD 161
<b>EXECUTIVE SPONSOR or EXECUTIVE CLINICAL SPONSOR</b>	Director Finance
<b>AUTHOR</b>	Colin Owers
<b>POSITION RESPONSIBLE FOR THE DOCUMENT</b>	Receiving Manager, Revenue
<b>KEY TERMS</b>	Medicare Ineligible Patients Fees
<b>SUMMARY</b>	This document outlines the principles to be observed in relation to the treatment and charging of inpatients who are ineligible for Medicare Benefits or free hospital treatment.

## **COMPLIANCE WITH THIS DOCUMENT IS MANDATORY**

**This Procedure is intellectual property of South Eastern Sydney Local Health District.  
Procedure content cannot be duplicated.**

Feedback about this document can be sent to [seslhexecutiveservices@sesiahs.health.nsw.gov.au](mailto:seslhexecutiveservices@sesiahs.health.nsw.gov.au)

# SESLHD PROCEDURE

## Medicare Ineligible Patients

**SESLHDPR/ 425**

### 1. POLICY STATEMENT

The purpose of this document is to describe the steps that must be followed in relation to the treatment and charging of inpatients who are ineligible for Medicare Benefits or free hospital treatment.

### 2. BACKGROUND

All public hospitals in NSW must comply with the NSW Health Fees Procedures Manual for Public Health Organisations.

### 3. RESPONSIBILITIES

SESLHD employees whose role involves confirmation of Medicare eligibility or processing of patient fees or accounts, including:

- Directors of Operations
- General Managers
- Site Finance and Corporate Services Managers
- Cost Centre Managers
- District Finance Staff

### 4. DEFINITIONS

**Local Health District:** South Eastern Sydney Local Health District (SESLHD).

**Chief Executive (CE):** of the Local Health District

**Day of Admission:** the day the patient is admitted for treatment.

**Day of Discharge:** the day the patient is discharged after treatment.

**NSW Health:** the public health organisation as defined under Section 7 of the Health Services Act 1997, the Ambulance Service of NSW constituted under section 4 of the Ambulance Services Act 1990, and the NSW Ministry of Health.

**Public Hospital:** hospitals under the management of SESLHD

**Ineligible Patients:** patients who are not eligible for Medicare Benefits or free hospital treatment

**Unqualified Babies:** babies born to an ineligible inpatient that do not require treatment

**VMO:** Visiting Medical Officer

**HMO:** Honorary Medical Officer

### 4. PROCEDURE

- Ineligible patients are not to be refused medical care necessary to stabilise their condition. When an assurance of payment is not forthcoming, the ineligible patient is to be informed that they will receive only the minimum and necessary medical care to stabilise their condition. This provision is not intended to impinge on the medical or legal obligations of Medical Officers in the treatment of ineligible patients.
- Planned admissions of Ineligible patients must be approved by the relevant General Manager. All such requests must contain an assurance from the ineligible patient to pay up front for any planned clinical services or contain an assurance of payment before any clinical services are performed.

- An assurance of payment is required from all ineligible patients before treatment is provided. This assurance may take the form of:
  - Credit card imprint (credit limits to be verified)
  - Cash to cover estimated cost
  - Bank cheque to cover estimated cost
  - Personal guarantee from Australian citizen whose bona fides are verified
  - Other initiatives to ensure that payment for the services is not lost to the LHD.
- All ineligible patients should be provided with an indicative cost of treatment.
- When the patient is able to demonstrate an inability to give the required assurances for treatment already provided, a schedule of periodic payments should be negotiated.
- Single accommodation cannot be elected and will only be provided if medically necessary.
- Day of Admission and Day of Discharge are to be counted as one day for charging purposes (i.e. the 24 hour counting for compensable patients does not apply to ineligible patients)
- Ineligible patients are “private”, i.e. they must elect a doctor, except in situations where they receive medical treatment under arrangement with a public hospital, rather than with an individual practitioner.
- Ineligible patients are to be billed for all clinical/diagnostic services provided by VMOs, HMOs and Salaried Staff Specialists exercising their right of private practice, or by the Hospital in situations where the ineligible inpatient receives medical treatment under arrangement with a public hospital, rather than with an individual practitioner.
- Accommodation charges are not to be raised for ineligible unqualified babies.
- Charges are to be raised for the direct cost (plus related oncosts) of drugs.
- Charges are to be raised for surgically implanted prostheses.
- Ineligible patients are also to be charged at a separate rate, as gazetted from time to time, for accommodation in designated intensive care units or coronary care units.
- When the patient is able to demonstrate an inability to give the required assurances for treatment already provided, a schedule of periodic payments should be negotiated.
- All ineligible patients should complete an Authorisation to release information form Area Form F176.

# SESLHD PROCEDURE

## Medicare Ineligible Patients

**SESLHDPR/ 425**

- Ineligible patients are not to be refused medical care necessary to stabilise their condition. When an assurance of payment is not forthcoming, the ineligible patient is to be informed that they will receive only the minimum and necessary medical care to stabilise their condition. This provision is not intended to impinge on the medical or legal obligations of Medical Officers in the treatment of ineligible patients.
- When it is clear that the patient is unable to pay for the treatment provided, some form of regular financial contribution should be encouraged

### 5. DOCUMENTATION

[Authorisation to release information regarding payment of hospital/medical accounts on behalf of your member – Area Form 176](#)

### 7. REFERENCES

[Fees Procedures Manual for Public Health Organisations](#)

### 8. REVISION AND APPROVAL HISTORY

Date	Revision No.	Author and Approval
20 July 2015	0	Reformatted from former SESIAHS Document PD 161 Minor changes only, hyperlink updates
August 2015	1	Approved by Executive Sponsor, Director Finance