**1. Changes to Financial Incentives**

Under the Budget measure, the On-Board Incentive for telehealth will be paid in two instalments. The first is paid after the first valid telehealth MBS claim is processed by the Department of Human Services (DHS) and the second is paid after the tenth valid telehealth MBS claim is processed by DHS (see below table).

|  |  |  |
| --- | --- | --- |
| **Incentive** | **2012-13** | **2013-14** |
| First Telehealth On‑Board instalment | $1,600 | $1,300 |
| Second Telehealth On‑Board instalment | $3,200 | $2,600 |
| Total On-Board Incentive | $4,800 | $3,900 |

The value of the second instalment will be determined by the value of the first instalment. For example, if a practitioner provides their first valid telehealth service which is processed by DHS in 2012-13 and their tenth valid service is processed in 2013-14, the value of the incentive would total $4,800.

There are no changes to the On-Board Incentive arrangements for Residential Aged Care Facilities.

All telehealth incentives formally cease on 30 June 2014.

***Reason for the change***

The On-Board Incentives were designed to encourage practitioners to adopt telehealth as part of their normal practice. The changes will encourage practitioners to embed telehealth into normal practice.

***Impact on patients***

This change is designed to encourage practitioners to adopt telehealth as part of their

normal practice which should increase access to these services for eligible patients.

**2. Addition of a minimum distance requirement**

On 1 November 2012, the MBS telehealth items will be amended to require that the patient and remote specialist be at least 15 kilometres apart.

The minimum distance requirement does not apply to residents of Aged Care Facilities or patients of an Aboriginal Medical Service.

***Reason for the change***

The telehealth items were introduced to provide patients in remote, regional and outer metropolitan areas with access to specialists sooner than would otherwise be the case, and without the time and expense involved in travelling to major cities.

The original item structure has been successful at encouraging practitioners to provide video consultations to eligible patients. However, this allows doctors to provide video consultations to a patient who is near to the specialist when it could be more appropriate to have a face-to-face consultation.

The introduction of a 15 kilometre distance requirement better ensures that funding is targeted at patients for whom distance is a genuine barrier to accessing specialist care.

***Impact on patients***

The only patients who may be affected are those are within 15 kilometres of the relevant specialist, and are unable to physically attend a consultation.