

Program Guidelines: Financial Incentives for Telehealth

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Background

On 1 July 2011, Medicare rebates and financial incentives for specialist video consultations were introduced to address some of the barriers to accessing medical services, particularly specialist services, for Australians in remote, regional and outer metropolitan areas. In many cases, these telehealth consultations provide patients in eligible areas with access to specialists sooner than would otherwise be the case and without the time and expense involved in travelling to major cities.

New Medicare Benefits Schedule (MBS) items were introduced to provide for telehealth consultations rendered by specialists, consultant physicians and consultant psychiatrists. These items allow a range of existing MBS attendance items to be provided via video conferencing, with a derived fee adding to the base item fee.

New MBS items were also introduced for Patient-end Services. These items enable GPs, other medical practitioners, nurse practitioners, midwives, Aboriginal health workers and practice nurses to provide face-to-face clinical services to the patient during the consultation with the specialist.

Telehealth MBS items may be billed where a specialist consultation is conducted via video conferencing with a patient who is:

- not an admitted patient; and
- is eligible for Medicare rebates; and
- located in a Telehealth Eligible Area (see www.mbsonline.gov.au/telehealth); or
- a care recipient at an eligible Residential Aged Care Facility (RACF); or
- in an eligible Aboriginal Medical Service (AMS).

The Patient-end items can only be claimed when the **Medicare billed** service being provided by the specialist is an Eligible Telehealth Service.

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

These Program Guidelines incorporate changes to Telehealth Financial Incentives announced in the 2012-13 Budget and apply from 1 July 2012 until midnight 30 June 2014. Services provided between 1 July 2011 and midnight 30 June 2012 are covered by the 2011-12 Telehealth Program Guidelines (available at www.msbonline.gov.au/telehealth). More information on the changes announced in the 2012-13 Budget can be found at www.mbsonline.gov.au/telehealth.

Incentive Program

A range of non-MBS financial incentives linked to the telehealth MBS items were also introduced on 1 July 2011 to encourage and support the initial and ongoing provision of telehealth services to eligible patients by practitioners.

The incentives are paid to encourage change in the way in which services are provided, recognising that incorporating telehealth into everyday workflows can represent a significant change to traditional practice that will affect billing and scheduling systems, IT systems, staff training and capital improvements to establish telehealth-appropriate rooms at a practice. Practitioners can decide how to invest the incentive payment.

Five types of Incentives are available for practitioners and RACFs:

- Telehealth On-Board Incentive;
- Telehealth Service Incentive;
- Telehealth Bulk Billing Incentive;
- RACF On-Board Incentive; and
- Telehealth Hosting Service Incentive.

Telehealth On-Board Incentive

A Telehealth On-Board Incentive is a time-limited payment to encourage Eligible Practitioners to adopt telehealth as part of their normal practice. From 1 July 2012, the On-Board Incentive is paid in two instalments: the first is paid following the first occasion that a valid MBS telehealth claim (including for a DVA service) is processed by the Department of Human Services (Human Services); the second is paid after ten valid MBS telehealth claims have been processed.

Human Services will automatically determine eligibility based on Medicare claiming information and make the first instalment payment to the bank account listed for the relevant provider number. Practitioners, who become eligible for the second instalment and have had service incentives paid into more than one bank account, may be contacted by Human Services to confirm where they would like payment made for the second instalment to be made.

Telehealth On-Board Incentive payments are calculated using the amounts outlined in Table 0-1.

Table 0-1 Telehealth On-Board Incentive Payment Amounts

Incentive	2012-13	2013-14
Telehealth On-Board installment, paid after first valid MBS claim is processed	\$1,600	\$1,300
Telehealth On-Board second installment, paid after tenth valid MBS claim is processed	\$3,200	\$2,600
Total On-Board Incentive	\$4,800	\$3,900

The payment rate for both services is based on date the practitioner’s first valid MBS telehealth claim was processed. For example, practitioners whose first valid telehealth service is provided in the 2012-13 financial year are eligible for a first instalment of \$1,600 and a second instalment of \$3,200, even if the tenth valid service is provided in 2013-14.

Telehealth Service Incentive

A Telehealth Service Incentive is a time-limited, per service payment to encourage Eligible Practitioners to continue to provide Eligible Telehealth Services. Human Services will automatically determine eligibility based on Medicare claiming information (once a Telehealth MBS item is bulk billed or claimed by a patient). A Telehealth Service Incentive will accrue to a practitioner each time a Medicare benefit is processed for a Telehealth MBS item and a single payment will be made once per Payment Quarter. Where benefits for an eligible Telehealth Service are paid after the closing date for a payment run, the amount will be accrued toward the next quarterly payment.

Two different payment levels are available for this type of incentive, depending on whether the practitioner provides a specialist, or Patient-end Service. Telehealth Service Incentive payments will be calculated using the amounts outlined in Table 2.2-1.

Table 2.2-1 Telehealth Service Incentive Payment Amounts

Incentive	2012-13	2013-14
Telehealth Service Incentive (specialist)	\$48	\$39
Telehealth Service Incentive (patient-end)	\$32	\$26

Telehealth Bulk Billing Incentive

A Telehealth Bulk Billing Incentive is a time-limited, per service payment to encourage Eligible Practitioners to bulk bill telehealth consultations. A Telehealth Bulk Billing Incentive will accrue to a practitioner each time a Telehealth MBS item is bulk billed against a practitioner’s provider number and a single payment will be made once per Payment Quarter. Where a Telehealth MBS item is bulk billed after the closing date for a payment run, the incentive will be accrued toward the next quarterly payment.

Human Services will automatically determine eligibility based on Medicare claiming information (once a Telehealth MBS item is bulk billed), and make incentive payments to the bank account listed for the relevant provider number.

Telehealth Bulk Billing Incentive payments will be calculated using the amounts outlined in Table 2.3-1.

Table 2.3-1 Telehealth Bulk Billing Payment Amounts

Incentive	2012-13	2013-14
Telehealth Bulk Billing Incentive	\$16	\$13

RACF On-Board Incentive

Telehealth is available to residential aged care services that provide care and accommodation to residents under the *Aged Care Act 1997*.

A RACF On-Board Incentive is a one-off payment which is made to an Eligible RACF to encourage the provision of appropriate facilities and resources to host telehealth consultations.

To be eligible for a RACF On-Board Incentive, a RACF must:

- possesses sufficient equipment and facilities to host a telehealth consultation;
- be registered with Human Services; and
- provide at least one Hosting Service (no incentives will be paid until a valid service is processed by Human Services).

After hosting at least one telehealth service, RACFs applying for this Incentive will then need to submit the following forms to Human Services: *Residential Aged Care Service Application for Telehealth On-Board Incentive Payment along with a Residential Aged Care Service Claim for Telehealth Hosting Service Incentive* (available from the Health Professionals section of the Human Services web site: www.humanservices.gov.au).

The completed forms must be faxed to: 1300 587 696

or posted to:

Telehealth Incentives Program
GPO Box 2572
ADELAIDE SA 5001

For assistance with completing the form, call Human Services on 1800 222 032.

RACF On-Board Incentive payments will be calculated using the amounts outlined in

Table 0-1.

Table 0-1 RACF On-Board Incentive Payments Amounts

Incentive	2012-13	2013-14
RACF On-Board Incentive	\$4,800	\$3,900

The RACF On-Board Incentive payment will be deposited via electronic funds transfer (EFT) to the bank account where aged care payments are usually made for the RACF. This payment will be included in the next monthly Aged Care Services payment run.

Telehealth Hosting Service Incentive

A Telehealth Hosting Service Incentive is a time-limited, per service payment to encourage Eligible RACFs to provide ongoing Hosting Services.

To be eligible for a Telehealth Hosting Service Incentive Payment, the RACF must:

- be an Eligible RACF
- have provided one or more Telehealth Hosting Services, to patient(s) within the claim period;

To receive Telehealth Hosting Service Incentives, a RACF must submit a claim for payment to Human Services, using the following form: *Residential Aged Care Service Claim for Telehealth Hosting Service Incentive* (available from the Health Professionals section of the Human Services web site: www.humanservices.gov.au).

The completed form must be:

Faxed to: 1300 587 696

or posted to:

Telehealth Incentives Program
GPO Box 2572
ADELAIDE SA 5001

For assistance with completing the form, call Human Services on 1800 222 032.

The Telehealth Hosting Service Incentive payment claims should be lodged on a monthly basis.

Telehealth Hosting Service Incentive payments will be calculated using the amounts outlined in Table 0-1.

Table 0-1 Telehealth Hosting Service Incentive Payment Amount

Incentive	2012-13	2013-14
Telehealth Hosting Service Incentive	\$48	\$39

The Telehealth Hosting Service Incentive payment will be deposited via EFT to the bank account where aged care payments are usually made for the RACF. This payment will be included in the next monthly Aged Care Services payment run.

Exclusions

Telehealth Incentives are not payable and may be recovered in the following circumstances:

- where the recipient would be a public hospital or other government or government owned organisation, except where payments are subsequently passed on to practitioners;
- if the doctor cannot validate that the service was provided on the date for which the claim was made;
- where a Telehealth MBS claim is declined or reversed.

GST Treatment

GST is not applicable to Telehealth Incentives.

Administration of Payments

Telehealth On-Board, Service and Bulk Billing Incentives are payments for individual practitioners who provide telehealth services. These incentives are paid into the bank account that has been nominated by the servicing practitioner for the payment of Medicare benefits. This account is the same account into which Medicare benefits are paid.

In some instances this may be an account which is associated with a private practice or business owner, rather than an individual practitioner.

Where incentives are paid by Human Services into an account other than that of the servicing practitioner, it is a matter for the servicing practitioner and the owner of the account to discuss the distribution of these incentives.

Changes to guidelines

These guidelines, including incentive amounts and eligibility criteria, may be amended by the Australian Government at any time.

Cessation of incentives

As announced in the 2012-13 Budget all Telehealth Incentives cease at midnight 30 June 2014.

Telehealth Incentives may be adjusted or ceased by the Australian Government at any time, without notice. Should the Australian Government announce the early cessation of the Telehealth Incentives program, no further new claims for RACF On-Board Incentives, or Telehealth Hosting Service Incentives will be payable, and practitioners will no longer be eligible for Telehealth On-Board Incentives Telehealth Service Incentives or Telehealth Bulk Billing Incentives.

Further information

Further information on MBS items and Financial Incentives for telehealth is available from <http://www.mbsonline.gov.au/telehealth>.

Enquiries regarding incentives eligibility, payments and Aged care facility registration can be directed to Human Services:

Tel: 1800 222 032

Fax: 1300 587 696

Email: telehealth@humanservices.gov.au

Enquiries regarding Telehealth MBS items can be directed to the Human Services Provider Enquiry line: Tel: 132 150.

Definitions

Telehealth Consultation

A referred consultation between a patient (including patient-end practitioner if applicable) and a specialist performed by video conferencing.

Telehealth Incentive

A payment (outside the MBS) to an Eligible Telehealth Practitioner or an Eligible Residential Aged Care Facility for providing a telehealth consultation, which is a:

- Telehealth On-Board Incentive
- Telehealth Service Incentive;
- Telehealth Bulk Billing Incentive;
- RACF On-Board Incentive; or
- Telehealth Hosting Service Incentive.

Telehealth On-Board Incentive

A Telehealth Incentive Payment to an Eligible Telehealth Practitioner which is paid in two instalments: the first is paid following the first occasion that a valid MBS telehealth service is provided by an Eligible Telehealth Practitioner (including for a DVA service) billed against that practitioner's provider number; the second is paid after ten valid MBS telehealth services have been provided.

Telehealth Bulk Billing Incentive

A Telehealth Incentive Payment to an Eligible Telehealth Practitioner which is made on each occasion that an Eligible Telehealth Practitioner bulk bills Telehealth MBS item.

Telehealth Service Incentive

A Telehealth Incentive Payment to an eligible telehealth practitioner which is made on each occasion that a Medicare benefit is paid for a Telehealth MBS item billed against that practitioner's provider number.

RACF On-Board Incentive

A Telehealth Incentive Payment to an Eligible Residential Aged Care Facility which is made upon confirmation of eligible status, including confirmation of service provision, by Human Services.

Telehealth Hosting Service Incentive

A Telehealth Incentive Payment to an Eligible Residential Aged Care Facility which is made monthly, based on the number of Hosting Services provided.

Telehealth MBS Item

The following MBS items (and updated from time to time): 99, 112, 113, 114, 149, 288, 384, 389, 2100, 2122, 2125, 2126, 2137, 2138, 2143, 2147, 2179, 2220, 2820, 2195, 2199, 2799, 3003, 3015, 6004, 6016, 10983, 10984, 13210, 16399, 17609, 82150, 82151, 82152, 82220, 82221, 82222, 82223, 82224, 82225.

Telehealth MBS items do not include telepsychiatry items (353, 355, 356, 357, 358, 359, 361, 364, 366, 367, 369 and 370.)

Eligible Aboriginal Medical Service

A facility, including Aboriginal Community Controlled Health Services, which holds a current exemption under s19(2) of the *Health Insurance Act 1973*.

Telehealth Eligible Area

An area classified by the Minister as Telehealth Eligible and published on the website: www.mbsonline.gov.au/telehealth, which is updated from time to time. From 1 January 2013 the Telehealth Eligible Areas align with the Australian Standard Geographical Classification – Remote Area classification system.

Eligible Telehealth Practitioner

For the purposes of receiving financial incentives under this program, an Eligible Telehealth Practitioner is any medical practitioner who is eligible to claim one or more Telehealth MBS items.

Eligible Telehealth Practitioners who hold more than one provider number are eligible for a single Telehealth On-Board Incentive Payment only.

Eligible Residential Aged Care Facility

An Eligible Residential Aged Care Facility is a facility where care and accommodation are provided to residents under the *Aged Care Act 1997* (including Residential Aged Care Services) and which meets the following eligibility requirements:

- possesses sufficient equipment and facilities to host a telehealth consultation;
- is registered with Human Services; and
- has been assessed by Human Services as meeting the above eligibility requirements.

Eligible Telehealth Service

An Eligible Telehealth Service is a Specialist Service or a Patient-end Service which is provided under a Telehealth MBS item. To be eligible the patient must not be a hospital or admitted patient and be eligible for MBS rebates for that service if the consultation with the specialist was provided face-to-face. For example, the usual referral arrangements that apply to other consultations also apply to telehealth services.

Specialist Services

Specialist Services are Eligible Telehealth Services provided by specialists and consultant physicians to patients:

- in a Telehealth Eligible Area;
- in an Eligible Aboriginal Medical Service; or
- who are care recipients at an Eligible Residential Aged Care Facility

Patient-end Services

Patient-end Services are Eligible Telehealth Services provided by a GP, other medical practitioner/midwife/ or nurse practitioner. Services provided for and on behalf of a GP by a practice nurse (employed by a general practitioner) or Aboriginal health worker who are co-located with a patient who is receiving an eligible Specialist Service. A Patient-end Service is only an eligible service if the service provided by the specialist is also an eligible service. That is, these items can only be claimed where the specialist is also providing an MBS funded telehealth service and when it is clinically appropriate. Many specialist video consultations will not require patient-end support.

If the specialist is not eligible to claim for MBS rebates for any reason, the GP, practice nurse, midwife or nurse practitioner cannot claim the MBS items for patient-end support and is not eligible for any incentive payments.

Telehealth specialist services can be provided to patients when there is no patient-end service and for instance from a patient's home.

Hosting Service

A service provided by an Eligible Residential Aged Care Facility which enables a patient to participate in an Eligible Telehealth Service with a remote specialist, where the Eligible Telehealth Service attracts a MBS rebate for the specialist end of the consultation. A Telehealth Hosting Service must provide a patient with:

- use of all necessary equipment and facilities; and
- access to appropriate support (if needed)

to participate in a consultation with a medical specialist via video conference.

Payment Quarter

The payment quarter is the period during which Telehealth Service Incentives accrue for a single payment. Currently:

Quarter	Paid
July - September	Mid October
October - December	Mid-January
January - March	Mid April
April - June	Mid July