



Mediaportal Report

12/09/2007

► **Electronic refunds move a step closer**

Australian Financial Review, 12/09/07, Information, Page 58

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Clip Ref: 00030056551

475 words

Type: News Item

Photo: Yes

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Keywords: claim(1), claims(3), Easyclaim(6), Eftpos(2), Electronic(3), Medicare(8)

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Electronic refunds move a step closer

Julian Bajkowski

An unofficial boycott by doctors of Medicare's troubled Easyclaim electronic refund system could be over by the end of the month, with the government preparing to subsidise medical practitioners by as much 60¢ per transaction to use the new system.

Sources close to the project said yesterday the Department of Human Services and the Australian Medical Association were close to reaching a deal on the level of fees and rebates that doctors would receive to adopt the new system.

The compromise follows a meeting on Monday between AMA president Rosanna Capolingua and the office of Human Services Minister Chris Ellison. The government is preparing to put out a formal announcement within days.

Doctors had been demanding as much as \$1 per transaction on the basis that using the bank-owned Eftpos system to process Medicare refunds represented a cost-shifting exercise by the government that would save Medicare millions of dollars but short-change general practitioners.

Medicare refund volumes total about \$10 billion a year.

Launched by Prime Minister John Howard in August last year, Easyclaim was intended to eliminate the need for patients to lodge paper claims by authorising electronic transactions from doctors' surgeries.

However, the project stalled badly following a cabinet reshuffle that saw then human services minister Joe Hockey promoted to the Workplace Relations portfolio.

A spokesman for Senator Ellison said that 316 medical practices had signed up for the pilot phase of Easyclaim. Australia has about 24,000 general practitioners.

A key component of the Easyclaim scheme is the ability to authorise the direct deposit of Medicare refunds into patients' bank accounts from doctors' surgeries.

The government had hoped this would be achieved by linking Medicare with the bank-owned Eftpos system and paying banks 23¢ per transaction to process the claims.

The government had previously estimated that processing paper Medicare claims cost between \$3.50 and \$10 per claim.

Despite Commonwealth Bank of

Australia and National Australia Bank signing up to the scheme, doctors have shunned the system and complained that it did not integrate with their existing practice-management software. This includes products from Primary Health Care's subsidiary HCN that hold more than 80 per cent of the market for practice-management software.

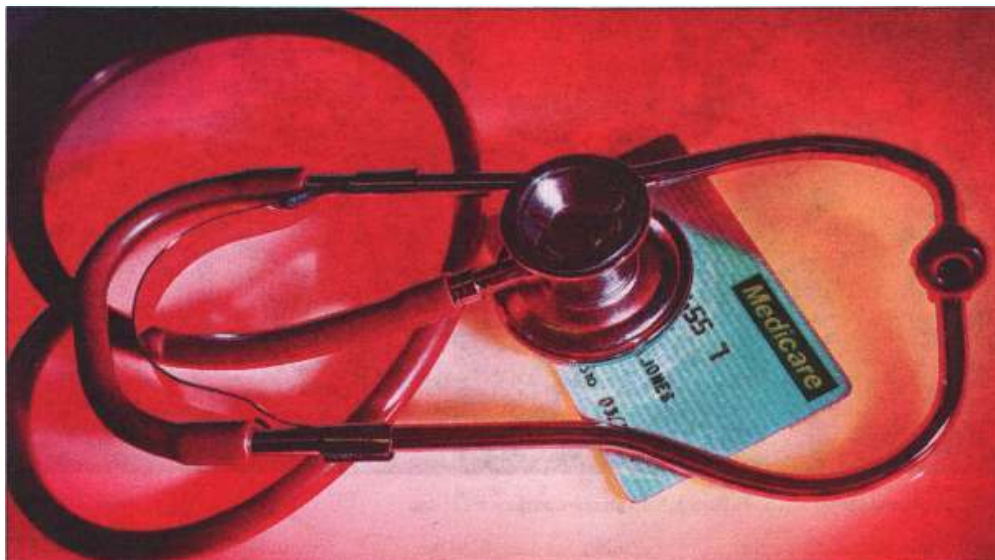
One company that has sought to integrate the Easyclaim system with HCN is Australian financial software developer Tyro, formerly known as MoneySwitch.

Tyro chief executive Jost Stollman said his firm would offer software that would integrate transactions between Easyclaim and other GP management software between October and November this year.

Labor is yet to indicate whether it will continue to support the Easyclaim system if elected.

A spokesman for Labor health spokeswoman Nicola Roxon said the opposition understood the doctors' concerns and was examining the financial implications of the AMA's proposals.

"Only 316 medical practices have signed up for the pilot phase."



Prescription for trouble . . . doctors feel Medicare would save millions while they were being short-changed.

Photo: PAUL JONES