Paying for Value

General practice bulk-billing incentives: the case of the missing MBS items

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Paying for Value

General practice bulk-billing incentives: the case of the missing MBS items

Background

In 2004, the Australian Government introduced a range of incentives aimed at boosting bulk-billing rates. The general practice incentive consists of a financial payment to doctors who bulk-bill patients who are concession cardholders or children aged less than16 years. The incentive is claimed as a separate MBS item and paid in addition to the consultation item.

There are two incentive levels: for practices in metropolitan areas the incentive payment (at the time of introduction) was $5 and for practices in rural, remote, outer-metropolitan regions and some selected metropolitan regions was $7.50. For up-to-date information on the incentive amount visit http://www.mbsonline.gov.au and search for the following MBS items: 10990, 10991 and 10992.

GP bulk-billing incentive payment eligibility criteria for children and card holders ($ at the time of introduction)

	Low Incentive Regions Metropolitan	High Incentive Regions Rural, remote and some outer-metropolitan
GP bulk-billing incentive payment (February 2004a)	$5 additional reimbursement to GP	$7.50 additional reimbursement to GPs

Since the introduction of these incentives, the expenditure on the GP bulk-billing items alone has increased from $337 million in 2005 to $962 million in 2020.

The Problem

Across numerous data studies, we have noticed that the GP bulk-billing MBS items (10990, 10991 and 10992) are missing after a certain year. For example, in the MBS data linked to Sax Institute's 45 and Up study, the items appear in the data for consultations prior to January 2009 but disappear after this date. Similar problems have been observed in the MBS data linked to the Australian Longitudinal Study for Women's Health (ALSWH) and many other MBS data extracts that we have worked with.

This missing data has two implications. First, it underestimates the true cost of GP non-referred consultations to the Australian Government. Second, it significantly reduces the analyst's ability to identify concession cardholders within the MBS dataset.

The Proposed Solution

For children, the solution is relatively simple. Most MBS dataset contains information on the age (in years) of the patient. Hence, for any bulk-billed non-referred consultation to a child aged under 16, the cost of the incentive item can be added to the benefits paid by Medicare and the fee charged by the provider. Bulk-billed attendances can be identified by looking at out-of-hospital non-referred attendances where the OOP cost is zero (or the provider fee is equal to the benefit paid).

Depending on the practice location, either the low or high incentive payment is added to the provider fee and Medicare benefit. A list of postcodes where the high incentive amount applies are in the Annex: High incentive postcodes prior to January 2020, for all other postcodes the low incentive payment applies. Note that, as of January 2020, there was a change in the definition of high incentive areas. Details of the change can be found here.

Whilst the proposed solution for children is relatively simple, it does highlight the need to seek patient age and provider postcode data when making MBS extraction requests.

Our proposed solution is to identify **concession cardholders** through another dataset that can be linked to the MBS data. The solution applicable to you depends on what other datasets are available to you. Below we describe three alternative data sources that can be used to ascertain concession cardholder status.

1. PBS data: This data can be used to identify concession cardholders by looking at the level of copayment. At the start of the calendar year, concession cardholders will be contributing the low PBS copay (as of Jan 2021, $6.60 but it varies slightly from year to year). If the copayment is low, then the patient is a concession cardholder. Once all patients are identified in this way, these data should then be merged with the MBS data.

The cost of the incentive item can then be added to the benefits paid by Medicare and the fee charged by the provider for all bulk billed non-referred consultations where the patient is concession card holder. Bulk-billed attendances can be identified by looking at out-of-hospital non-referred attendances where the OOP cost is zero (or the provider fee is equal to the benefit paid). As described in the note on children (above), the amount of the bulk-billing incentive will differ by practice location.

The advantage of the PBS data is that it will be able to observe changes to concession card status if the researcher has access to multiple years of PBS data. The disadvantage is that it only works for patients who have made a PBS claim.

2. Survey data: Many cohort studies (such as the 45 and Up study, ALSWH) have survey data that can be linked to administrative data such as MBS. Most surveys ask participants to self-

report their concession card status. This information can then be linked to the MBS data and a similar process (as outlined for the children and PBS solutions, above) can be used to identify consultations where the bulk-billing incentive payment should be added.

The advantage of this approach is that, unlike the PBS approach, it does not require a claim. The disadvantage is that the information is self-reported (and may be missing) and concession card status data can become outdated, particularly when there are long time intervals between the survey observation period and the MBS data. This is particularly important for those below the pension age, where concession card status changes frequently. For those who have reached pension age, concession card status tends to be more stable.

3. Centrelink data: some studies are now able to link to Centrelink data, including information on concession card status. The Longitudinal Study of Australian Children is an example and so is the Multi-Agency Data Integration Project (MADIP). Researchers can request Centrelink data to ascertain those with a concession card and link this information back to the MBS data. From there, a similar approach to that described in the children and PBS solution can be used to add bulk-billing incentive payments.

Using Centrelink data promises to be a very accurate method to identify concession cardholders. The disadvantage is that not many datasets, at this stage can be linked to such data.

Recommendation

Although the potential solutions outlined above offer a viable workaround to the missing bulk-billing data problem, the best solution would be for the Department of Human Services to re-instate the release of the incentive payment data. Whist we have communicated these

recommendations through various channels, we have thus far been unsuccessful. However, if more researchers raise this as an issue, there is a greater chance that it will be resolved.

In the meantime, researchers should look at the potential solutions and decide on the best method for them, noting that the problem is confined to research where either costs or the identification of concession card status is essential.

Further reading

Wong, C.Y., Greene, J., Dolja-Gore, X. and van Gool, K., 2017. The Rise and Fall in Out-of-Pocket Costs in Australia: An Analysis of the Strengthening Medicare Reforms. *Health Economics*, 26(8), pp.962-979.

Annex: High incentive postcodes prior to January 2020

In addition to all postcode with RRMA category 3 to 7, practices located in the following postcodes were also eligible to the higher incentive payment prior to January 2020.

Higher incentive-metropolitan PostCode Areas (PCAs) by Sate	
Australian Capital Territory	**Postcode**
Aranda & Cook & others	2614
Charnwood, Dunlap and others	2615
Belconnen	2616
Bruce, Evatt, and other	2617
Hall	2618
Mitchell	2911
Gungahlin	2912
Ngunnawal	2913
Amaroo	2914
Russell	2600
Acton	2601
Ainslie	2602
Braddon	2612
Quenabeyan	2620
Forrest	2603
Kingston	2604
Fyshwick	2609
Greenway	2900
Tuggeranong	2901
Kambah	2902
Oxley	2903
Fadden	2904
Bonython	2905
Banks	2906
Chapman and all others	2611
Curtin	2605
Chifley	2606
Farrer	2607
Queensland	

New South Wales	**PostCode**
Gosford	2250
Wyong	2259
Newcastle	2300
Newcastle remainder	2302
Maitland	2320
Cessnock	2325
Port Stephens	2315
Jerrabomberra	2619
Northern Territory	
Darwin	0800
Darwin post office box	0801
Parap-PO BOX	0804
Alawa and others	0810
Anula and others	0812
Karama	0813
Fannie Bay and others	0820
Winnellie PO BOX	0821
Winnellie PO BOX	0822
Litchfield	0831
Driver	0830
Bakewell	0832
South Australia	
Marion	5043
Mitcham	5062
Morphett	5162
Onkaparinga Hills	5163
Victoria	
Ringwood	3134
Ringood2	3135

Beaudesert	4285
Ipswich	4305
Palm Island	4816
Bray Park	4500
Lawnton	4501
Petrie	4502
Dakabin	4503
Kelso	4805
Thuringowa	4814
Kirwan	4817
City	4810
Oonoonba	4811
Currajong	4812
Magnetic Island	4819
Western Australia	
Bayswater	6053
Bassendean	6054
West Swan	6055
Middle Swan	6056
Upper Swan	6069
Mundaring	6073
Kalamunda	6076
Kalamunda-PO Box	6926
Bayswater-PO box	6933
Bassendean-PO Box	6934
Bassendean-PO Box	6942
Melville	6156
East Fremantle	6158
Fremantle other 2	6159
Fremantle Inner	6160
Fremantle other	6162
Cockburn	6164
Kwinana beach	6167
Rockingham	6168
Kwinana	6966

Croydon	3136
Knox	3152
Frankston	3199
Corio	3214
North Geelong	3215
Geelong West	3218
East Geelong	3219
Geelong	3220
Bellarine	3221
Wyndham	3024
Meton	3337
Mornington	3931
Hallam	3803
Berwick	3806
Cardinia	3810
Cranbourne	3977
Yarra Ranges South, Central & SW	3799