



## How does the Medicare Safety Net work?

If you register as a family or a couple, your medical costs are combined so that you are more likely to reach a threshold sooner.



If you need to see a doctor or have tests regularly you could end up with high medical costs. The Medicare Safety Net is designed to help you when you need it most. It means that once you reach a Medicare Safety Net threshold, visits to your doctor or having tests may end up costing you less.

All families and couples need to register. Even if all your family members are listed on your Medicare card you still need to register for the Medicare Safety Net.

### Did you know?

- Each family member needs to be identified so their medical costs can be counted towards your family's Medicare Safety Net.
- You only need to register your family once.
- Registering is free.

**Note:** if you are registered as a family for Medicare Safety Net purposes, we will ask you to confirm in writing who is in your Medicare Safety Net family each year before any higher benefits can be paid.

**Individuals** are automatically registered—just keep your contact details up-to-date with Medicare Australia.

Individuals, families and couples are all eligible for the same threshold amounts. If you register as a family or couple, your medical costs are combined so that you are more likely to reach a threshold sooner.

### How do I register?

- Call 132 011\*.
- Visit your local Medicare office
- Fill in a *Medicare Safety Net registration and amendment* form available from our website at [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au) then go to **For individuals and families > Forms and brochures > Medicare Safety Net**

### What is a Medicare Safety Net family?

For Medicare Safety Net purposes a family consists of:

- a couple legally married and not separated or a couple in a de facto relationship with or without dependant children
- a single person with dependant children.

**Note:** a dependant child is someone under 16 years or a full time student under 25 years that you support.

### What if my child is a member of two registered families?

If your child is a member of two registered families, for reasons such as separation or divorce, the family who pays the cost of the medical service receives the benefit. Any out-of-pocket costs will count towards that family's Medicare Safety Net. This is determined by the Medicare card used to claim the benefit.

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### How do I change my family's Medicare Safety Net registration details?

To change your family's registration details:

- call **132 011\***
- visit your local Medicare office
- fill in a *Medicare Safety Net registration and amendment* form available from our website at [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au) then go to **For individuals and families > Forms and brochures > Medicare Safety Net**

### Is it possible to reach more than one threshold?

Yes—it is possible to reach more than one threshold in a calendar year. Medicare Australia will calculate the benefits you are entitled to and you will be automatically paid the higher benefit each time you make a claim for the rest of that calendar year.

### What is the Medicare Safety Net concession and FTB(A) threshold?

The Medicare Safety Net concession and FTB(A) threshold is for concession cardholders and families eligible for FTB(A).

### How is the threshold calculated?

This threshold is reached by calculating your out-of-pocket medical costs for services outside of hospital. Out-of-pocket costs are the difference between the Medicare benefit and what your doctor charges you.

### What am I entitled to once the Medicare Safety Net concession and FTB(A) threshold is met?

Medicare Australia will pay 80 per cent of the out-of-pocket costs for medical services provided out-of-hospital after a threshold of \$555.70<sup>†</sup> per family or individual per calendar year is reached.

- When you pay the account in full, you will receive the Medicare benefit plus the additional 80 per cent benefit.
- When you do not pay the account in full, we will send you a cheque payable to your doctor which you take to your doctor along with any outstanding balance to be paid. Once you pay the remainder of the account in full and you provide proof of payment to Medicare Australia (that is your receipt and Medicare Statement), the additional 80 per cent benefit will be paid to you.

**For example:** once you qualify for the threshold and then visit a doctor who charges you \$60 for a standard consultation, you will receive your Medicare benefit of \$32.80 plus 80 per cent of your out-of-pocket costs (\$27.20)—giving you an extra \$21.75 in your pocket. So in this example, it will only cost you \$5.45 to visit your doctor.

## What services count towards the Medicare Safety Net?

Only Medicare services received out-of-hospital count towards the Medicare Safety Net.

### Medicare Safety Net thresholds as at 1 January 2009

	Threshold amount	Who it is for	How it is calculated	What the benefit is
Gap	\$383.90 <sup>†</sup>	All Medicare cardholders	Based on gap amount	100% of schedule fee for out-of-hospital services
Concession and FTB(A)	\$555.70 <sup>†</sup>	Concession cardholders Families eligible for Family Tax Benefit (A)	Out-of-pocket costs	80% of out-of-pocket costs for out-of-hospital services
Extended	\$1111.60 <sup>†</sup>	All Medicare cardholders	Out-of-pocket costs	80% of out-of-pocket costs for out-of-hospital services

<sup>†</sup> This figure is in line with the Consumer Price Index (CPI) adjusted on 1 January each year.

**Out-of-pocket costs**—the difference between the Medicare benefit and what your doctor charges you.

**Gap amount**—the difference between the Medicare benefit and the schedule fee.

**Schedule fee**—a fee for service set by the Australian Government.

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## What are eligible concession cards?

Eligible concession cards are those issued by Centrelink or the Department of Veterans' Affairs, including:

- Commonwealth seniors' health cards
- Health care cards
- Pensioner cards.

## Who is considered a concessional family?

A concessional family is a combination of at least one adult plus another family member who is entitled to a Commonwealth concession. Only these concession cardholders' out-of-pocket amounts can towards the Medicare Safety Net concession threshold.

If one or more children in your family have concession cards but you and your partner do not, then your child/children are treated as individuals for the purposes of calculations and payments under the Medicare Safety Net.

## Who is considered a FTB(A) family?

If you are eligible for an FTB(A) payment, you and your family are eligible for the Medicare Safety Net FTB(A) threshold.

## How can I claim my FTB(A) payment?

There are two ways families can claim an FTB(A) payment—as a fortnightly instalment or as a lump sum payment.

## Fortnightly instalment examples

- If you claim FTB(A) as a fortnightly instalment through the Family Assistance Office, your Medicare Safety Net FTB(A) threshold eligibility will start on the date of payment in that calendar year.
- If you claim FTB(A) by deferring your fortnightly instalment payments through the Family Assistance Office, your Medicare Safety Net FTB(A) threshold eligibility will start on the date of deferment in that calendar year.
- If you claim FTB(A) by deferring your fortnightly instalment payments through Centrelink, your Medicare Safety Net FTB(A) threshold eligibility will start on the date of deferment in that calendar year.

## Lump sum examples

- If you claim FTB(A) as a lump sum payment for a past period, for example, the previous financial year, your Medicare Safety Net FTB(A) threshold eligibility will start the following calendar year.

**Important:** lump sum payments must be received before 31 December to be eligible for the next full calendar year. If the payment is made after 31 December, eligibility will start from the date of payment in the eligible calendar year in which it is received.

**Disclaimer:** how you choose to receive your FTB(A) payment/s determines your eligibility for the Medicare Safety Net FTB(A) threshold. It is your responsibility to understand that your choice of FTB(A) payment can affect your Medicare Safety Net FTB(A) threshold eligibility.

## For more information on FTB(A):

- call the Family Assistance Office on **136 150\***
- visit your local Medicare office or Centrelink Customer Service Centre.

## What if I'm only a concession cardholder for part of the year or receive only one fortnightly FTB(A) payment?

If you are a concession cardholder or eligible for FTB(A) at any time during a calendar year, you are eligible for the concession or Medicare Safety Net FTB(A) threshold for the remainder of that year starting from your eligibility date.

If you claim your FTB(A) through your tax return, you will be eligible for the Medicare Safety Net in the following calendar year.

## What is the Medicare Safety Net extended threshold?

The extended threshold is for all Medicare cardholders.

## How is the threshold calculated?

This threshold is reached by calculating your out-of-pocket medical costs for services outside of hospital. Out-of-pocket costs are the difference between the Medicare benefit and what your doctor charges you.

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### What am I entitled to once the Medicare Safety Net extended threshold is met?

Medicare Australia will pay 80 per cent of the out-of-pocket costs for medical services provided outside hospital after a threshold of \$1111.60<sup>†</sup> per family or individual per calendar year is reached.

- When you pay the account in full, you will receive the Medicare benefit plus the additional 80 per cent rebate.
- When you do not pay the account in full, we will send you a cheque payable to the doctor, which you take to your doctor along with any outstanding balance to be paid. Once you pay the remainder of the account in full and you provide proof of payment to Medicare Australia (that is your receipt and Medicare Statement), the additional 80 per cent rebate will be paid to you.

**For example:** once you qualify for the Medicare Safety Net extended threshold and then visit a doctor who charges you \$60 for a standard consultation, you will receive your Medicare benefit of \$32.80 plus 80 per cent of your out-of-pocket costs (\$27.20)—giving you an extra \$21.75 in your pocket. So in this example, it will only cost you \$5.45 to visit your doctor.

### What is the Medicare Safety Net gap threshold?

The Medicare Safety Net gap threshold is for all Medicare cardholders.

### How is the threshold calculated?

This threshold is reached by calculating your gap amounts. Medicare Australia pays either 85 per cent or 100 per cent of the Medicare schedule fee for out-of-hospital services. This is dependent on the service provided. The gap amount is the difference between the Medicare benefit and the schedule fee.

The schedule fee is the fee for service set by the Australian Government—not the fee charged by the doctor.

\* Call charges apply.

\*\* Call charges apply from mobile or pay phones only.

### What am I entitled to once the Medicare Safety Net gap threshold is met?

Once your gap amount reaches a threshold of \$383.90<sup>†</sup>, your Medicare benefits will increase to 100 per cent of the schedule fee for any further out-of-hospital services that do not already attract 100 per cent of the schedule fee in that calendar year.

- When you pay the account in full you will receive 100 per cent of the schedule fee.
- When you do not pay the account in full you will be sent a cheque made payable to your doctor for 100 per cent of the schedule fee. You must take the cheque to your doctor along with any outstanding balance to be paid.

**For example:** once you qualify for the Medicare Safety Net gap threshold and are charged \$60 for an out-of-hospital service that does not already attract the full 100 per cent of the schedule fee, instead of receiving your standard Medicare benefit of 85 per cent of the schedule fee you will receive the full 100 per cent of the schedule fee

### For more information

Online [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au)

Email [medicare@medicareaustralia.gov.au](mailto:medicare@medicareaustralia.gov.au)

Write **Medicare Australia**  
**GPO Box 9822**  
in your capital city

Call **132 011\***

TTY **1800 552 152\*\*** (hearing and speech impaired)

TIS **131 450\*** (Translating and Interpreting Service)

If you need help translating this information call the TIS on **131 450\***.

Arabic - إذا احتجت لمساعدة في ترجمة هذه المعلومات، يمكنك الإتصال بخدمة الترجمة التحريرية والشفهية على الرقم\*131 450

Korean - 본 정보의 이해를 위해 번역사의 도움이 필요하시면, 131 450\*번으로 TIS에 전화하십시오

Serbian - Ако вам је потребна помоћ да преведете информације, назовите TIS на 131 450\*

Spanish - Si necesita ayuda para traducir esta información, llame al TIS al 131 450\*

Turkish - Bu bilgiyi tercüme etmek için yardıma ihtiyacınız varsa 131 450\*numaradan TIS'i arayınız

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