



Banking on Easyclaim?

Medicare's EFTPOS claiming system should deliver rebates faster, but is it worth the effort? *Jacquie van Santen* investigates.

IF happiness is a positive cash flow, Medicare's new EFTPOS claiming system Easyclaim should have GPs smiling.

With its expected 24-hour return on rebates, Easyclaim has obvious advantages over its online predecessor, Medclaim, which generally takes three or four days to turn around rebates.

Medicare Australia says there's a definite buzz in the air about Easyclaim, which is due to be operational around September.



"The costs of its set-up and subsequent maintenance outweigh the advantages"
Dr Brian Symon

"We've contacted all practices twice now, and our business development officers have given more than 200 presentations through divisions, the AMA and the RACGP

and [the feedback has been that practices] are enthusiastic about the ability to offer a full service to their patients," says Rona Mellor, deputy CEO of Medicare Australia.

So why is it that some of the nation's GPs and most experienced practice managers are putting the system in the 'too hard' basket before it is even rolled out?

"We will not be introducing Easyclaim at present. We do not provide an EFTPOS facility and the costs of its set-up and subsequent maintenance outweigh the advantages as we understand them at the moment," Adelaide GP Dr Brian Symon says.

Jan Chaffey, practice manager of a 15-doctor surgery in Camp Hill, Queensland,

and the national president of the Australian Association of Practice Managers (AAPM), won't be introducing it either.

"It doesn't integrate into the software I use - I'd still

have to use online claiming for my Department of Veterans' Affairs and Australian Childhood Immunisation Register [patients].

"On top of that, it's only refundable with a debit card, and not all our patients have a debit card. So there are lots of issues with it."

NSW-based practice manager Donna Kent - who consults for a range of practices - is happy with the status quo.

"Medclaim [Medicare's online claiming system] is working well for us. I don't need another product."

THE BENEFITS

The Easyclaim system allows medical practices and patients to claim Medicare benefits using the EFTPOS network.

According to Medicare, the 'swipe and go' system means less paperwork (no need to batch or store bulk-billed claims), faster payments (usually within 24 hours directly into the practice account) and more certainty with 'pay doctor' cheques because it lodges claims on the spot.

Three providers have stepped forward and signed

up to be involved in the Easyclaim scheme: Tyro, a new Internet-based transaction bank; the Commonwealth Bank of Australia (CBA); and the National



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Australia Bank (NAB).

The trio will receive 23 cents from the federal government for each transaction, with \$15 million allocated to cover fees in the first year alone.

The key difference between the providers is how they will deliver the Easyclaim system. The CBA and NAB will initially provide stand-alone systems that don't integrate into practice software, while Tyro has partnered with software provider HCN to integrate the Easyclaim system into HCN's PracSoft.

Tyro claims it has an advantage over the other two providers in that its integrated system will involve fewer keystrokes at the Easyclaim terminal, as much of the information will

already be pre-programmed. This will reduce human error and time spent processing claims, according to Garry Duursma, vice-president, sales and marketing, for Tyro (for-

merly MoneySwitch).

Meanwhile, the CBA and NAB are also working to reduce the number of keystrokes that practices will need to put into their systems by hard-coding into their terminals information such as provider numbers and common Medicare item numbers.

SLOW ONLINE UPTAKE

It's no secret that online claiming has only been moderately successful, so what's to say GPs will embrace the Easyclaim system?

Medicare Australia statistics for the 2005-06 financial year showed that 9% of all GP claims were made online, with 43% of bulk-billing claims done via the Internet.

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Ms Mellor says it's true the uptake of online claiming was slow in the early stages, but as time passes, "people are becoming more savvy with how they use their technology, and putting the EFTPOS option in there gives people choice".

She says even paper-based claims will remain an option for practices, with no plans by Medicare to phase out the manual system.

"However, if I was a provider, I wouldn't be doing paper-based claims; there's a lot of handling time and [longer] payment time."

Ms Mellor compares the simplicity of Easyclaim to "buying a carton of milk".

"You basically swipe your card, put in your PIN number, and you're done."

However, she concedes that Easyclaim's usefulness still comes down to whatever option best suits each practice.

"If you're a wholly bulk-billing practice and you're already online, you're probably not going to think about this [option]."

"But if you're a large [private] billing practice and you're online, you might find this... a quick, additional service to your patients."

WAIT AND SEE

However, Scott Shaw, practice manager of the Sunbury Medical Centre in outer Melbourne, isn't rushing into Easyclaim.

"We've made a decision to

wait and see how the system beds down. In a practice like ours that substantially bulk-bills, there is no big advantage to us in the way they've set it up.

"By that I mean it appears there's a lot of additional administration for not much [financial gain]. We're quite happy with the current [online] system that works quite well and gets payment back to us in three or four working days anyway.

"So in the overall context of running the practice, the new system doesn't appear to offer a significant benefit at the moment."

WHAT IT ALL COSTS


If practices are already PracSoft users, or CBA or NAB terminal users, the Easyclaim system won't cost them any more to use.

If practices don't already have a CBA or NAB terminal, they will be required to have one installed and will have to pay the normal monthly rental fees and charges that come with EFTPOS (see box). If they're not online at all, they will also have hardware and software costs to consider.

Having said that, providers are vying for business "and some of them are putting together fairly attractive packages", Ms Mellor says.

At the end of the day, the Easyclaim system won't suit every practice. But for those it does, it will offer an attractive rebate claim option. The key is to think about what sort of practice you have and how you bill before you make a decision.

"I'd encourage people to do their homework," Ms Chaffey says.

"And to see how the various billing options on offer fit in with their existing practice processes before they make a choice – so they know exactly what they are getting." 

How the providers stack up



CommonwealthBank



MediClear www.commbank.com.au/mediclear



nabhealth

THREE financial institutions – Tyro, the Commonwealth Bank and the National Australia Bank – have signed up for the Easyclaim scheme. This is how they compare:

■ TYRO

What it offers: The integrated Easyclaim system – which will initially be integrated with HCN's PracSoft – is expected to be launched in September.

The system will also be integrated into HCN's Blue Chip and iRIS programs and other software down the track.

Cost: No upfront joining fee. Tyro provides practices with an Easyclaim terminal that can be used for e-claiming and EFTPOS. Practices pay a \$25-per-month terminal access fee for 36 months and then own the device. There is no lock-in contract and no cancellation fee if practices decide not to continue with Easyclaim.

Banking: Practices can retain their current banking arrangements. Tyro pays cleared and settled funds on a 'next banking day' basis into the practice's account of choice.

Any extras: Practices need a broadband connection and will almost certainly need to install a new version of PracSoft to support the Easyclaim system. However, the software upgrade will be supplied at no cost to supported HCN practice management software users.

■ COMMONWEALTH BANK (MEDICLEAR)

What it offers: The MediClear system will initially be offered as a stand-alone system. The eventual aim is to integrate the system into a practice software program, however a spokesperson for the bank declined to disclose which program. Expected to be available to existing CBA customers by September.

Cost: Free option for CBA merchant customers. Existing EFTPOS customers will be provided with an upgraded terminal that can be used for both EFTPOS and MediClear transactions. Practices will be trained at no cost in the use of the terminal if they wish to use MediClear.

Overall monthly running costs will remain the same. The standard monthly EFTPOS access fee is \$29.70.

There is no lock-in contract or cancellation fee. New customers will be subject to normal EFTPOS fees and charges.

Banking: Practices will need to open a merchant's account with the CBA, but cleared and settled funds can be paid into the practice's account of choice. No guarantee of 'next banking day' payment.

■ NATIONAL AUSTRALIA BANK (NAB HEALTH MEDICARE EASYCLAIM)

What it offers: The system will initially be offered as a stand-alone system, but there are plans for future practice software integration.

The NAB Health system will be ready to process electronic claims later in 2007, but units are available now to process EFTPOS transactions.

Cost: No additional cost to setting up Medicare Easyclaim. Once Easyclaim is up and running, standard EFTPOS terminal rental applies.

NAB has yet to announce exact monthly rental fees, but current rental ranges from \$16 to \$29.50 per month.

Banking: EFTPOS settlement can be made to any bank account either at NAB or another financial institution. The settlement of EFTPOS to a NAB account will be 'same day'.

However, if the funds are to settle into a non-NAB account, this may take an additional 24 hours.