

The Australian



Government injects \$48m to support troubled Easyclaim

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THE federal government has spent \$48 million propping up the troubled Medicare Easyclaim system, intended to allow patients to lodge claims for a rebate direct from the doctor's office.

So far, only 25 per cent of all patient claims for rebates are handled electronically, half of all claims still dealt with face to face in a Medicare office and a quarter lodged via phone or post.

Medicare Australia says Easyclaim handles 25 per cent of all patient claims initiated electronically at the doctor's front desk, compared with 75 per cent of e-patient claims lodged via Medicare Online, the channel traditionally used by practices for bulk-billing.

Instigated by the former Coalition government, Easyclaim was not integrated with most of the commonly used medical practice software, and was widely disliked because the clumsy process involved multiple swipes of the patient's payment card.

Medicare has confirmed \$42m was paid to doctors under an 18-month "transitional support package" offering an upfront payment of \$750 for urban practices and \$1000 for country practices to implement patient electronic claiming, plus an 18c fee for each claim submitted via Easyclaim.

The subsidy ended on December 31, sparking calls from doctor's groups for continued financial support.

Medicare acting deputy chief executive Lynne O'Brien revealed the extent of savings available through electronic patient claiming when she told the Senate Finance committee last month that "savings in the order of \$246m" had been achieved since the start of Easyclaim in late 2007, and through Medicare Online.

The number of medical practices using Medicare Online rose to 11,000 in February from about 7100 late last year and about half of these were also using the system for patient claims, according to Medicare.

It is understood doctors have been more willing to assist their patients via Online, because it does not involve additional work or cost.

Patients who have provided their bank details to Medicare will receive a direct payment of the rebate into their account.

Meanwhile, in April last year, then-human services minister Joe Ludwig offered grants totalling \$6m to software makers to resolve the technical difficulties.

A spokeswoman for Human Services Minister Chris Bowen said yesterday that the grants were intended to fix "a fundamental design problem".

"When Easyclaim was announced by the previous government, it was designed as a `standalone' solution that was not integrated with practice management software," she said.

"The \$6m allocated by the Rudd Government was specifically intended to overcome this design flaw."

Medicare's capacity to engage software makers and gain support from doctors for new e-health in projects is under the spotlight over the proposed rollout from July of a national Healthcare Identifiers service.

Medical software developers will have to redevelop existing products to include new 16-digit number to be assigned to all

Australians, as well as new 16-digit unique identifiers to be used by more than 600,000 health professionals and organisations.

About 25 firms took up Senator Ludwig's offer to sort out software interfaces for Easyclaim.

Payment service providers took a large share of the funds paid out for three months' work early last year: Melbourne-based Touch Holdings earned \$3m and Tyro Payments received \$1.1m.

However, most of the grants ranged between \$25,000 and \$50,000.

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