ADVANTAGES OF MEDICARE

- Choice of doctor for out-of-hospital services
- Available to all Australian citizens
- Reciprocal agreement between Australia and other countries allows Australian citizens to access free healthcare in selected countries
- Covers tests and examinations, doctors’ and specialists’ fees (schedule fee only), and some procedures such as x-rays and eye tests
- The Medicare Safety Net provides extra financial contributions for medical services once an individual’s or family’s co-payments reach a certain level

DISADVANTAGES OF MEDICARE

- No choice of doctor for in-hospital treatments
- Waiting lists for many treatments
- Does not cover alternative therapies
- Often does not cover the full amount of a doctor’s visit

HOW IS MEDICARE FUNDED?

Medicare is funded through three sources of income;

The Medicare levy: an additional 2 per cent tax placed on the taxable income of most taxpayers. Those with low incomes or with specific circumstances may be exempt from paying the levy.

The Medicare levy surcharge: aims to encourage individuals to take out private hospital cover and, where possible, to use the private system to reduce the demand on the Medicare-funded public system.

General taxation: the revenue collected from the Medicare levy and the Medicare levy surcharge does not meet the full operating costs of Medicare. Therefore, income collected through general taxation is also used to help fund the cost of Medicare.
MEDICARE SAFETY NET

The Medicare Safety Net provides extra financial assistance for those that experience significant out of pocket costs for Medicare services. Once an individual or family has contributed a certain amount out of their own pocket to Medicare services in a calendar year ($700 for singles and $1000 for couples and families in 2017), further financial support is provided by the government, making Medicare services cheaper for the remainder of that year.

SUMMARY OF SERVICES COVERED BY MEDICARE

WHAT DOES MEDICARE NOT COVER?

Medicare covers most ‘clinically necessary’ hospital and doctors’ fees. Any cosmetic or unnecessary procedures are usually not covered.

Other services not covered by Medicare include:

- Most costs associated with private hospital care. Medicare will pay 75 per cent of the schedule fee for treatment in private hospitals but will not contribute to accommodation and other costs.
- Most dental examinations and treatment, although some children aged 2–17 can qualify for Medicare-funded dental care, however most individuals are responsible for meeting their own costs associated with dental healthcare.
- Home nursing care or treatment
- Ambulance services
- Most allied health services, unless referred by a GP or carried out in a public hospital.
WHAT IS MEDICARE?

Medicare is Australia’s universal health insurance scheme. It was established in 1984, and gives all Australians, permanent residents and people from countries with a reciprocal agreement access to healthcare that is subsidised (made cheaper) by the government.

WHAT DOES MEDICARE COVER?

Out of hospital expenses

Medicare will pay all or some of the fees relating to many essential healthcare services. This includes consultation fees for:

- Doctors (general practitioners or GPs) and specialists
- Tests and examinations needed to treat illnesses, such as x-rays and pathology, blood tests and eye tests performed by optometrists.
- Most surgical and other therapeutic procedures performed by general practitioners are also covered.

Although Medicare doesn’t usually cover most basic dental services, some dental procedures can be covered.

WHAT DOES MEDICARE COVER?

In hospital expenses

Medicare covers accommodation and treatment by doctors and specialists for public patients in public hospitals, including initial treatment and aftercare.

If an individual chooses to be admitted to a private hospital or as a private patient in a public hospital, Medicare will pay 75 per cent of the schedule fee for treatment by doctors and specialists, but will not contribute to accommodation or other costs such as theatre fees and medication.