

## Billing Practices for Medical and Radiology Services

**Notice**

### *This Notice clarifies requirements relating to billing practices for medical and radiology services*

**WorkCover WA** is aware of the following issues regarding billing practices adopted for some medical and radiology services provided to workers' compensation patients.

- Adding fees for services that would usually be expected to be included under a Medicare Benefits Schedule (MBS) code;
- Using multiple MBS codes to charge for each individual component of a surgical operation instead of applying the appropriate comprehensive MBS item code (or codes);
- Charging full fees for multiple surgical procedures performed on the one occasion.

These practices inflate costs for the WA workers' compensation scheme and unfairly impact on an injured worker's capped entitlement for medical expenses.

Stakeholders are advised that MBS rules and principles apply to services provided to injured workers including:

#### **1. Complete Medical Service Principle**

This principle means each professional service listed within the MBS is a complete medical service in itself. Where a listed service is also a component of a more comprehensive service covered by another item, the benefit for the latter service will cover the former.

For example, surgical management of a limb fracture would reasonably be expected to include release of haematoma. Therefore, billing for drainage of haematoma in addition to surgical treatment of the fracture is inappropriate. For further details refer to GN.14.34 "Principles of Interpretation of the MBS" or refer to the following MBS Fact Sheet: [http://www.mbsonline.gov.au/internet/mbsonline/publishing.nsf/Content/Factsheet-Complete\\_Medical\\_Service](http://www.mbsonline.gov.au/internet/mbsonline/publishing.nsf/Content/Factsheet-Complete_Medical_Service)

#### **2. Multiple Operation Rule**

The fees for two or more operations performed on a patient on the one occasion should be calculated using the following rule:

- For surgical procedures (other than orthopaedic procedures): 100 per cent for the item with the greatest WorkCover WA fee (or relevant AMA fee if no WorkCover WA fee is specified); plus 50 per cent for the item with the next greatest fee, plus 25 per cent for each other item.
- For all orthopaedic procedures (other than fractures and dislocations – refer to "Treatment of Fractures" in the AMA List of Medical Services and Fees): 100 per cent for the item with the greatest WorkCover WA fee (or relevant AMA fee if no WorkCover WA fee is available); plus 75% for each other item.

In accordance with the Complete Medical Service Principle, where an operation comprises a combination of procedures which are commonly performed together, and where an appropriate MBS code is available, it is to be regarded as the one item of service in applying the multiple operation rule

#### **3. Mutually Exclusive Principle**

The MBS provides that certain combinations of MBS items, due to the nature of the procedures described, are mutually exclusive.

For further details refer to T.8.1 "Surgical Operations" of the MBS.

For more information on medical fees, please see: <https://www.workcover.wa.gov.au/resources/rates-fees-payments/>