FACT SHEET
Changes to the Extended Medicare Safety Net (EMSN)
Injection of a therapeutic substance into the eye
Medicare items 42738 and 42739

Background

This fact sheet provides information on changes to the Extended Medicare Safety Net (EMSN) that were announced in the 2012-13 Federal Budget. These changes take effect from **1 November 2012** and for a small number of people, may affect rebates for the injection of a therapeutic substance into the eye (Medicare items 42738, 42739).

Medicare item 42738 is typically used for the injection of the treatment for wet Age-related Macular Degeneration (AMD). If you require a general anaesthetic or sedation when you receive your injection, item number 42739 may be used instead.

The Changes

- There are no changes to how you qualify for the Extended Medicare Safety Net.
- What has changed is the limit on how much the Government will refund to the patient for these items.
- The Federal Government is introducing this change to address excessive fees being charged by a small number of eye doctors.
- **Most patients will not be affected by the changes**.

How do these changes work?

- Currently, the normal Medicare benefit (refund) for an eye injection (item 42738) is $250.90, if the injection is given in the eye doctor's rooms.
- Once your total out-of-pocket costs for out-of-hospital Medicare items in a calendar year exceeds a certain threshold, an additional refund is paid to you through the Extended Medicare Safety Net (EMSN). Currently, this annual threshold is $598.80 for pensioners and health care card holders, and $1198.00 if you do not hold a concession card.
- At the moment, once your out-of-pocket costs exceed the EMSN threshold, the EMSN will refund 80% of your out-of-pocket costs for the rest of the calendar year (for out-of-hospital Medicare items), with no upper limit.
- From 1 November 2012, you will continue to be refunded 80% of your out-of-pocket costs, up to a maximum of $236.12 each time the doctor charges for an eye injection (Medicare item 42738 or 42739). Table 2 on page 4 gives some examples of what you will get back depending on the fee your doctor charges.

- This refund is in addition to the standard Medicare refund of $250.90 for the eye injection (when it is performed out-of-hospital).

- **This means that, in total, you can get a refund of up to $487.05 from Medicare for item 42738.**

- **If your eye doctor charges you $546.05 or less for item 42738, you will not be affected by the change.**

- This change will not affect people who are admitted to hospital or a day surgery facility for their treatment, as EMSN benefits are not paid for in-hospital services.

Table 1: Examples of the impact on patients for each eye injection service

Doctor fee*	Effect of capping on patient out-of-pocket cost
$546 or less	No impact. Doctors charge $545 or less for 80% of all eye injections.
$730	Up to $147 worse off. Doctors charge $730 or more for less than 5% of eye injections.
$1000	Up to $363 worse off. Doctors charge $1,000 for less than 1% of injections.

***Figures are for out-of-hospital services only**

How do I calculate my Medicare benefit for wet AMD treatment?

In addition to the injection fee (item 42738), the total fee charged by the eye doctor may include other Medicare items such as item 104 or 105 (consultation fee) and item 11218 (angiogram). You will also receive Medicare rebates for these. You may also be charged for an OCT scan which is **not** reimbursed by Medicare.

When calculating whether or not you will be affected by the changes, it is important to check the amount you are actually being charged for item 42738, by checking each item number carefully on your doctor's bill. Remember, your total bill may include other items, such as the doctor's consultation fee (item 104 or 105).

Table 2 (page 4) has some examples of rebates and out-of-pocket expenses for eye injections before and after the change to the EMSN that will take place on 1 November 2012.

Why is the EMSN benefit cap being introduced for the treatment of Age-related Macular Degeneration?

The Macular Degeneration Foundation has been advised that the government believes that capping of eye injection items will address excessive fee charging by a small number of eye doctors and will reduce Medicare expenditure.

WHAT SHOULD YOU DO?

The changed EMSN cap is only relevant if you are having eye injections for wet AMD. The changes in November will have no effect on the rebates paid unless your eye doctor is charging you more than $546.05 for item 42738.

Ensure you are registered for the Extended Medicare Safety Net

If you are a couple or family, you need to register for the EMSN – if you haven't already done so. To check if you are registered, call 132 011, visit your local Medicare office or complete the online registration form (enter "Medicare safety net registration form" in your computer's search engine). You only need to register once.

Check your fee statement

At your next visit to the eye doctor, check your fees statement. Your doctor is obliged to provide you with full information about fees and other related medical costs. Doctors are free to set their own fees but are encouraged to take into account the financial circumstances of their patients. Table 2 (on page 4 of this insert) has been provided to give you some examples of different fees and rebates.

What if the eye doctor's fee for item 42738 is above $546.05?

Firstly, discuss the impact of the changes openly with your eye doctor. It may be that your doctor is planning to change the fee to be below $546.05 by 1 November 2012.

If your eye doctor's fee is to remain higher than $546.05, and you are unwilling or unable to pay the additional out-of-pocket costs, then you have the right to change your doctor.

Call the MD Foundation on 1800 111 709:

- If there is no other eye doctor in your area.
- If you are unsure of what to do in this situation.
- If you have any further questions about the Extended Medicare Safety Net.
- If you require any further help in relation to treatment of Macular Degeneration.

If you are faced with higher out-of-pocket costs, the Foundation will endeavour to help you resolve the situation. We are committed to monitoring high fees very closely, to ensure that all patients are able to access sight-saving treatment.

Please note: The fees given in this fact sheet are indicative only and are based on the current fee schedule. The scheduled fee, EMSN threshold and rebates are usually adjusted in November. This means that the actual Medicare schedule fee, Medicare rebate, and EMSN cap from 1 November 2012 may be higher than shown in the information above.

Table 2: Further Information: Examples of rebates and out-of-pocket costs before and after the 1 November change to the EMSN

A	B	C	D	E	F	G	H
				BEFORE 1 Nov 2012		**AFTER 1 Nov 2012*** **	
Doctor fee for eye injection (item 42738)*	**Medicare schedule fee**	**Rebate at 85% of schedule fee****	**Out-of-pocket costs before EMSN applies (A minus C)**	**Rebate after EMSN applies (C plus 80% of D)**	**Out-of-pocket costs after EMSN applies (A minus E)**	**Rebate after EMSN applies (C plus 80% of D, capped at $487.05)**	**Out-of-pocket costs after EMSN applies (A minus G)**
$300.00	$295.15	$250.90	$49.10	$290.18	$9.82	$290.18	$9.82
350.00	295.15	250.90	99.10	330.18	19.82	330.18	19.82
400.00	295.15	250.90	149.10	370.18	29.82	370.18	29.82
450.00	295.15	250.90	199.10	410.18	39.82	410.18	39.82
500.00	295.15	250.90	249.10	450.18	49.82	450.18	49.82
546.05	295.15	250.90	295.15	487.05	59.00	**487.05**	59.00
600.00	295.15	250.90	349.10	530.18	69.82	**487.05**	112.95
700.00	295.15	250.90	449.10	610.18	89.82	**487.05**	212.95
800.00	295.15	250.90	549.10	690.18	109.82	**487.05**	312.95
900.00	295.15	250.90	649.10	770.18	129.82	**487.05**	412.95
1000.00	295.15	250.90	749.10	850.18	149.82	**487.05**	512.95

EXAMPLE 1: If the doctor charges $546.05 or less for the injection (column A), out-of-pocket costs will not change; most services are currently billed below this level.

EXAMPLE 2: If your doctor charges $600 for the injection (column A), your current out-of-pocket costs **before** the EMSN applies will be $349.10 (Column D). Once the EMSN applies, your current out-of-pocket costs will be $69.82 (Column F) per injection. If, after 1 November, the doctor's fee is unchanged, your total out-of-pocket costs will increase to $112.95 (column H) per injection.

*Note that the fee for the eye injection does not include a consultation fee (item 104 or 105), which attracts a further rebate.
**Also note that the standard rebate increases from 85% to 100% of the scheduled fee ($295.15) if you also qualify for the standard Medicare Safety Net.
Fees for OCT scans are not included in the above and are not currently reimbursed by Medicare. Their cost does not go towards your safety net threshold.
***The scheduled fee, EMSN threshold and rebates are usually adjusted in November. This means that the actual Medicare schedule fee, Medicare rebate, and EMSN cap from 1 November 2012 may be higher than shown in the table above.