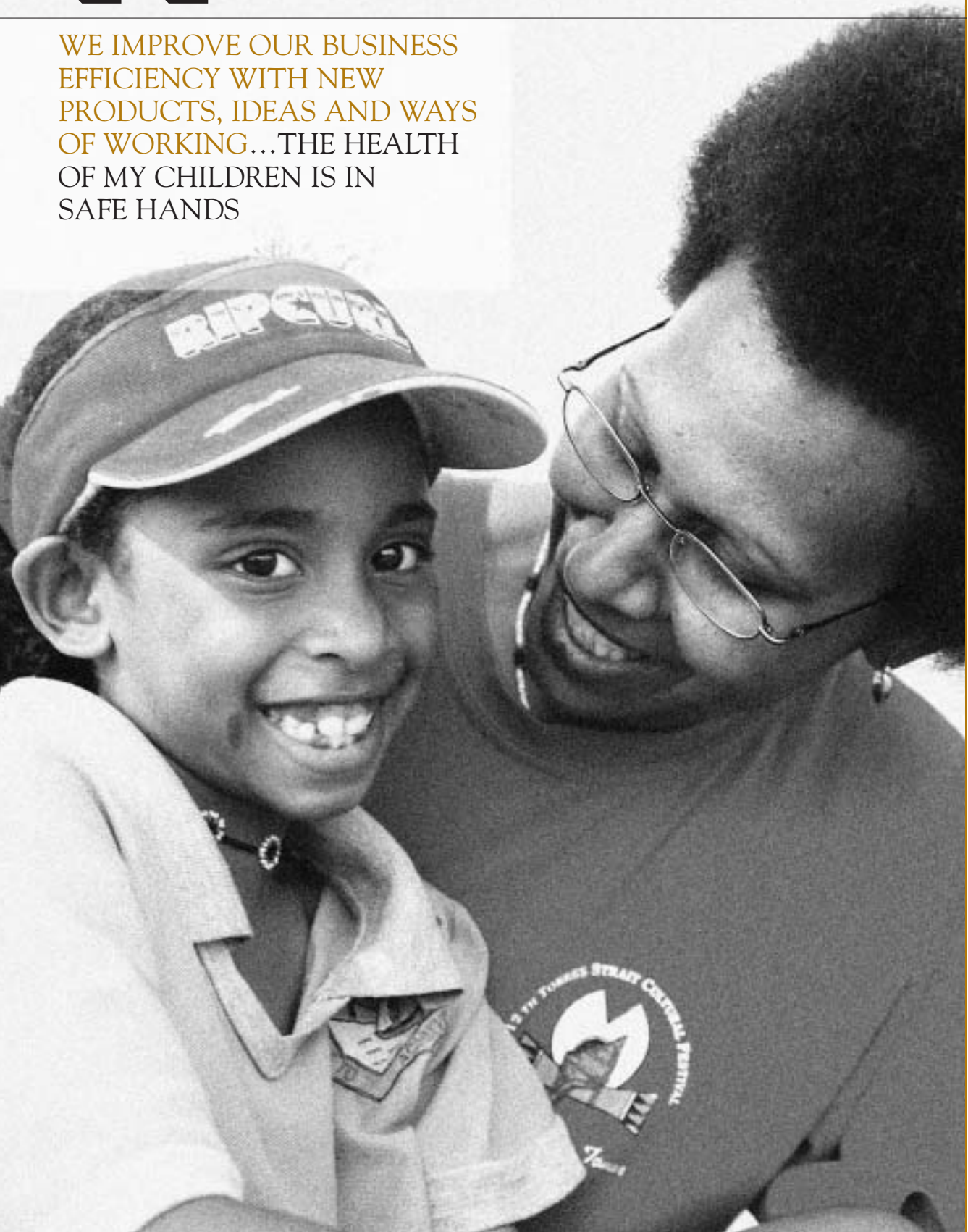




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EFFICIENCY WITH NEW  
PRODUCTS, IDEAS AND WAYS  
OF WORKING...THE HEALTH  
OF MY CHILDREN IS IN  
SAFE HANDS





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## APPENDIXES

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## APPENDIX A Statutory Reports

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### Functions

HIC is a statutory authority established by the *Health Insurance Commission Act 1973* (HIC Act). HIC's functions include:

- paying Medicare benefits as provided for in the *Health Insurance Act 1973* and undertaking all administrative activities necessary to ensure the effective performance of this function (authorised by the HIC Act);
- paying pharmaceutical benefits and undertaking all administrative activities necessary to ensure the effective performance of this function (subject to the *National Health Act 1953* and authorised by the HIC Act and regulations);
- preventing and detecting the occurrence of fraud and inappropriate servicing with respect to the payment of benefits under the programs administered by HIC (authorised by the HIC Act and regulations);
- administering the Compensation Recovery Program (under the provisions of the *Health and Other Services (Compensation) Act 1995*);
- administering the Federal Government 30% Health Insurance Rebate (under the provisions of the *Private Health Insurance Incentives Act 1998*);
- maintaining and administering the Australian Organ Donor Register (authorised by an arrangement made under section 7 of the HIC Act);
- maintaining and administering the Australian Childhood Immunisation Register (under the provisions of the *Health Insurance Act*);
- undertaking all administrative activities under the General Practice Immunisation Incentives scheme, the Practice Incentives Program, the General Practice Registrars' Rural Incentive Payments Scheme and the Rural Retention Program (authorised by arrangements made under section 7 of the HIC Act);
- delivering services as part of the Family Assistance Office;
- providing services for the processing of the Department of Veterans' Affairs treatment accounts and Australian Hearing Services (authorised by regulations to the HIC Act);
- administering the Incurred But Not Reported (IBNR) Indemnity scheme and High Cost Claim Indemnity scheme (under the provisions of the *Medical Indemnity Act 2002*, *Medical Indemnity (IBNR Indemnity) Contribution Act 2002*, *Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002*, and the *Medical Indemnity (Consequential Amendment) Act 2002*);
- undertaking the Prescription Shopping project (authorised by a Ministerial determination made under subsection 8AA(4) of the HIC Act); and
- providing ex-gratia payments for victims and family members of victims of the Bali terrorist attacks.

The HIC Act determines the constitution of the Board of Commissioners, appointment of the Managing Director, HIC staffing and financial arrangements. It provides the Minister's ability to delegate powers and HIC's reporting requirements. The Act also permits HIC to operate outside Australia and to form companies.

HIC is a non-Government Business Entity Commonwealth authority under the *Commonwealth Authorities and Companies Act 1997* (CAC Act), which provides the general governance, reporting and accountability framework for HIC and imposes a detailed regime for the conduct of officers.

## Responsible Minister

The Minister responsible for HIC in 2002–03 was Senator The Hon Kay Patterson, Minister for Health and Ageing.

## Directions by the Minister

Under section 8J of the HIC Act, the Minister may give written directions to HIC. This power was not exercised during 2002–03.

## Notifications of general policy of government

Under section 28 of the CAC Act, HIC was not notified of any general policies of the Government during the financial year.

## Delegations

HIC operates its business in accordance with a number of instruments of delegation. These include the Financial and Human Resources Delegations made under the HIC Act and delegations under other relevant health legislation including, but not limited to the Health Insurance Act, the National Health Act, the Health and Other Services (Compensation) Act, the Private Health Insurance Incentives Act and the Medical Indemnity Act.

Instruments of delegation specific to HIC officers have been made by the Minister for Health and Ageing, HIC's Board of Commissioners, the Managing Director and the Secretary of the Department of Health and Ageing and are updated by HIC as and when required.

## Powers of investigation

The HIC Act, as amended by the *Health Legislation (Powers of Investigation) Amendment Act 1994*, provides for the Managing Director to authorise the exercise of power to require a person to give information that the person has, or to produce a document that a person holds, and the power to obtain a search warrant to seize information or material needed to complete a chain of evidence. The use of these powers must be reported annually (see table below).

## Statutory report under section 42 of the HIC Act 2002–03

Action	Section	No.
Instruments appointing an HIC officer as an authorised person	8M	26
Notices requiring information from non-patients	8P	81
Notices requiring information from patients	8P	100
Searches of premises for the purpose of monitoring compliance	8U	3
Occasions during searches when powers were used	8V	5
Searches of premises and seizure of evidential material	8X	7
Search warrants issued in relation to possible offences	8Y	11
Search warrants issued by telephone or other electronic means	8Z	0
Patients advised in writing of the seizure of their clinical records	8ZN	511

Where records are taken from a medical practitioner, patients whose details are included in those records are issued with a section 8ZN notice advising that the records have been obtained (see above table). The notice does not imply the patient is under investigation. Below is a list of the type of cases in which these powers were used during 2002–03.

### Use of Powers of Investigation 2002–03

Type of case	No.
Medical practitioners	
Magnetic Resonance Imaging	0
Diagnostic imaging	0
Pathologists	0
Pharmacists	12
General practitioners	11
Optometrists	1
Psychiatrists	0
Other specialists	1
Members of the general public	
Benefit claims	0
Prescription drug smuggling	0

### Prosecutions

The prosecuted cases involved benefits claimed for services not rendered, rendered other than as claimed, or itemised for payment when the service was not payable.

### Summary of prosecutions 2002–03

Prosecutions	No.
Members of the public for offences against Medicare	21
Medical practitioners for offences against Medicare	5

Fifty-nine cases were referred to the Director of Public Prosecutions during the reporting period.

## Judicial Decisions and Reviews

Judicial decisions and administrative tribunal decisions that have had, or may have, a significant impact on the operations of HIC from 1 July 2002 to 30 June 2003 include:

*Clare v. Health Insurance Commission* (V878 of 2002) – at 30 June 2003 the Federal Court proceedings in relation to this matter have not been concluded. The case involves an application made by provider Dr Clare, disputing a decision made by HIC on the Medicare eligibility of a MRI machine located at Bundoora Radiology, Melbourne. The Federal Court decision may impact upon HIC's interpretation of the term 'contract in writing' in the relevant Regulations under the *Health Insurance Act 1973*, governing the eligibility of MRI machines for the purposes of Medicare benefits.

*Sydney X-Ray v. Health Insurance Commission* (641 of 2003) – at 30 June 2003 the Federal Court proceedings in relation to this matter have not been concluded. The case involves an application made by Sydney X-Ray Pty Ltd, disputing a purported decision by HIC regarding the Medicare eligibility of a MRI machine located at Randwick NSW. The Federal Court decision may impact upon HIC's interpretation of the term 'contract in writing' in the relevant Regulations under the *Health Insurance Act 1973*, governing the eligibility of MRI machines for the purposes of Medicare benefits.

*Medtest Pty Ltd v. Medicare Participation Review Committee and Health Insurance Commission* (N2002/1953) – at 30 June 2003 this matter has not yet been heard by the Administrative Appeals Tribunal (AAT). This matter concerns Medtest's refusal to allow an inspection of its laboratory premises. HIC formed the view that Medtest's refusal to allow an inspection of its premises might constitute a breach of Medtest's Approved Pathology Authority undertaking and referred the matter to the Medicare Participation Review Committee (MPRC). The MPRC determined that Medtest had breached its Approved Pathology Authority Undertaking by not allowing the inspection. It is likely that the AAT's decision may have an impact upon the power to enter premises and the assessment of penalty for breach of an undertaking.

*Nguyen v. Minister for Health and Ageing* (2001) FCA 1241; *Nguyen v. Secretary, Department of Health and Ageing* (2002) FCA 1441; *Nguyen v. Minister for Health and Ageing* (2002) FCA 1462; *Secretary, Department of Health and Ageing v Nguyen* (2002) FCAFC 416. These matters concerned a decision by the Minister under section 133 of the *National Health Act 1953*, to revoke the approval of Teresa Phan and Kimberly Nguyen to supply pharmaceutical benefits. Teresa Phan claimed payment from HIC for drugs which had never been supplied. Teresa Phan was charged with defrauding the Commonwealth and was convicted of this offence. In October 2002, the Federal Court decided to set aside the Minister's decision to revoke the approval on the basis that the Minister did not consider the option of partially revoking the approval. In November and December 2002, the Federal Court decided that the Secretary could not delay cancelling an approval on request while the Minister conducted procedural fairness in relation to a decision to revoke. The Federal Court's decision will have an impact on any decision to revoke an approval held by a partnership, and the revocation of an approval where the holder or holders of the approval decide to sell the pharmacy to which the approval relates before the revocation decision is made.

*Grey v. Health Insurance Commission & ors* (M83 of 2002) – on 14 February 2003, the High Court dismissed an application for special leave made by Dr Grey. The case involved interpretation of Part VAA of the *Health Insurance Act 1973*, relating to the Professional Services Review Scheme, and whether the Professional Services Review Scheme involved an exercise of judicial power contrary to the Constitution.

*Doan v. Health Insurance Commission & ors* (V202 of 2002) – on 18 September 2002, the Federal Court (Marshall J) dismissed the application by Dr Doan. The case involved a challenge to the validity of the investigative referral made under Part VAA of the *Health Insurance Act 1973*, which relates to the Professional Services Review Scheme. Issues included the relationship between counselling and the referral period, and whether HIC could be estopped from making a referral by statements made during counselling.

*Crowley v. Holmes & ors* (V259 of 2002) – on 18 December 2002, the Federal Court (North J) dismissed the application by Dr Crowley with costs. This case related to whether material in an investigative referral and an adjudicative referral relating to past conduct of the doctor invalidated the referrals. It also raised the question of whether this material resulted in bias on the part of the Professional Services Review Committee established under Part VAA of the *Health Insurance Act 1973* to consider the adjudicative referral.

### Ombudsman

Between 1 July 2002 and 30 June 2003, the Commonwealth Ombudsman received 125 complaints about HIC. The following table shows 130 complaints covering 140 issues were closed.

#### Number of issues identified by the Commonwealth Ombudsman 2001–02 and 2002–03

Action taken	2001–02	2002–03
Closed/finalised by Ombudsman	149	130
Withdrawn/lapsed	11	9
Discretion exercised by Ombudsman	76	84
Investigated by Ombudsman	66	56
No defect found	34	31
Agency defect found	9	9
No need to investigate further	23	16

### Secrecy provisions and privacy legislation

Section 130 of the Health Insurance Act and section 135A of the National Health Act provide for the confidentiality of information obtained by HIC in the performance of its functions.

These provisions make it an offence for an HIC officer to disclose information about a person except in the performance of their duties under the relevant Act. The secrecy provisions also provide specific powers enabling the release of personal information in certain circumstances. For example, information may be released to State health regulatory authorities, such as medical and pharmaceutical boards, in relation to matters affecting the registration of professional health providers. There is also provision under section 130(3) of the Health Insurance Act and section 135A(3) of the National Health Act for the Minister, or a HIC officer to whom this authority is delegated, to certify that it is in the public interest for information to be released.

Section 135AA of the National Health Act, and associated guidelines issued by the Privacy Commissioner, provide for limits on the maintenance and storage of claims information and the separation of Medicare and PBS databases.



## Privacy Act

HIC is subject to the *Privacy Act 1988*, which regulates the collection, handling and use of personal information by most Australian government agencies. In accordance with the Privacy Act, HIC submits annual returns to the Privacy Commissioner listing the types and use of information it holds. The Privacy Commissioner has audited HIC's compliance with the Privacy Act and found its procedures were satisfactory.

During 2002–03, HIC did not receive any complaints under the Privacy Act from the office of the Federal Privacy Commissioner. There was one complaint outstanding from the previous year and this has been partially resolved.

Of nine complaints about use and disclosure of personal information held by HIC, six have been resolved, two are ongoing and one was unsubstantiated.

## Occupational Health and Safety Report

HIC is required under section 74 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* to provide a report on occupational health and safety incidents that occurred during the year.

### Statutory report under section 74 of the Occupational Health and Safety Act

Action	No.
Deaths that required notice under section 68	0
Accidents that required notice under section 68	2
Dangerous occurrences that required notice under section 68	14
Investigations conducted under part 4	0
Tests on plant, substance, or thing in the course of investigations considered	0
Directions given to HIC under section 45 (that the workplace etc. not be disturbed)	0
Notices given to HIC under section 30 (requests from health and safety representatives)	0
Notices given to HIC under section 46 (prohibition notice)	0
Notices given to HIC under section 47 (improvement notice)	0

## APPENDIX B Freedom of Information

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HIC is a prescribed authority under the *Freedom of Information Act 1982* (FOI Act). HIC is therefore required to publish in its annual report information about the way it is organised, its functions and powers, the categories of documents held by HIC and how the public can access them. Also included in this report are FOI statistics for the financial year, 2002–03.

### Organisation, functions and powers

#### Organisation

An organisational structure chart appears on page 41.

#### Functions and powers

A description of HIC's functions and powers as required by section 8 of the FOI Act is detailed in Appendix A on page 165.

### List of documents held by HIC

Brochures explaining the Medicare program, the Pharmaceutical Benefits Scheme, the Australian Childhood Immunisation Register, the Compensation Recovery Program, the Federal Government 30% Health Insurance Rebate, the Australian Organ Donor Register, the Family Assistance Office and the *Charter of Care* are available free of charge from Medicare offices.

HIC's website [www.hic.gov.au](http://www.hic.gov.au) features publicly available publications and forms that can be viewed or downloaded.

In accordance with section 9 of the FOI Act, the following types of documents are held by HIC:

- administration and policy files;
- agendas, minutes and records of meetings of various internal and external committees and tribunals;
- agendas, minutes and submissions for Commission meetings;
- applications for approval as an accredited orthodontist;
- applications for approval as a dentist or dental practitioner;
- applications for recognition as a specialist or consultant physician;
- applications for recognition as a vocationally registered general practitioner;
- brochures relating to all HIC operations;
- committee and tribunal files created as a result of a specific enquiry or hearing;
- committee and tribunal member appointment papers;
- computer records relating to all HIC operations;
- financial budgetary documents;
- internal audit terms of reference, reports and files;
- legal advice and opinions;
- legislative documents in the form of Acts, regulations and interpretations;
- listings of approved Medicare pathology practitioners, authorities and laboratories;
- listing of certified patients for the Cleft Lip and Palate Scheme;
- listings of participating Medicare medical practitioners, dentists and optometrists;
- listings of Pathology Licensed Collection Centres and Accredited Pathology Laboratories;

- listings of Pharmaceutical Benefits Scheme approved persons and pharmaceutical prescribers;
- Medicare Benefits Schedule item rulings and interpretations;
- Ministerial, Commonwealth Ombudsman and general correspondence;
- Ministerial submissions;
- operation instructions, circulars and directives relating to Medicare, Pharmaceutical Benefits Scheme, Australian Childhood Immunisation Register, Practice Incentives Program, Compensation Management System, Federal Government 30% Health Insurance Rebate, Veterans' treatment accounts, Australian Organ Donor Register, Hearing Service Payments and Health Research and Coordinated Care Trials;
- personnel records;
- processed enrolment, withdrawn forms and claims documentation relating to all HIC operations;
- property documents including leases, tenders and maintenance agreements;
- records created as a result of a specific complaint, enquiry or review;
- records in relation to the regulatory functions of Pathology Licensed Collection Centres and Accredited Pathology Laboratories;
- records of contact between medical advisers and medical practitioners;
- statistical reports and analyses; and
- undertakings for participating optometrists.

### **Access to HIC documents**

#### **Procedures and initial contact points**

A formal request under the FOI Act for access to HIC documents should be made in writing, be accompanied by a \$30 application fee made payable to HIC and sent to:

Freedom of Information Officer  
 HIC  
 PO Box 1001  
 TUGGERANONG DC ACT 2901  
 Telephone: (02) 6124 6025  
 Fax: (02) 6124 6935

Remission of the application fee may be sought. Applicants may be liable to pay charges for costs associated with processing a request and providing access to documents.

Freedom of Information liaison officers in HIC State Offices can help with initial enquiries.

## Freedom of information statistics 2002–03

Requests	No. or \$ amount
On hand at 30 June 2003	1
<b>Received</b>	14
<b>Resolved by being:</b>	
• withdrawn (following consultation)	2
• granted in full	3
• granted in part	5
• denied in full	2
<b>Outstanding at 30 June 2003</b>	3
<b>Requests finalised in:</b>	
• 0-30 days	4
• 31-60 days	6
• 61-90 days	0
• 91 days or more	0
<b>Fees and charges levied</b>	
Application fees received	310
Charges notified	1,460
Charges collected	223
<b>Internal reviews</b>	
Received	1
Finalised	0
<b>Administrative Appeals Tribunal appeals</b>	
Received	0
Outstanding at 30 June 2003	7

## APPENDIX C

### Ecologically sustainable development and environmental performance

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Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBS Act) requires HIC to include in its annual report a section detailing HIC's environmental performance and contribution to ecological sustainable development during the year.

The requirements of the EPBS Act are designed to promote the development of frameworks within which HIC, along with other Government organisations, integrates environmental, economic and social considerations. The identification, monitoring and reporting of environmental issues are intended to help HIC and other Government organisations improve their environmental performance.

HIC is committed to environment protection and biodiversity. As part of this commitment, HIC's National Office continued the following activities during the year:

- general waste recycling (aluminium and steel cans, PET bottles, glass);
- photocopier toner cartridges recycling;
- waste paper and cardboard recycling; and
- security waste recycled via wet pulp methods.

## APPENDIX D Staffing overview

### Employee numbers at 30 June 2003 compared with 30 June 2002

State	2002	2003	Change
National Office	934	1158	23.9%
New South Wales	1152	1121	-2.7%
Victoria	851	882	3.6%
Queensland	720	721	0.13%
South Australia	332	327	-1.5%
Western Australia	328	331	0.9%
Tasmania	154	166	7.8%
<b>Total</b>	<b>4471</b>	<b>4706</b>	<b>5.25%</b>

### Senior management\* by gender at 30 June 2003

Classification	Male	Female	Total
Senior Professional Staff	49	26	75
<b>Total</b>	<b>49</b>	<b>26</b>	<b>75</b>

\*Senior Management includes all Senior Executives and Medical Advisors.

### Employee numbers by gender and location at 30 June 2003

State	Male	Female	Total
National Office	504	654	1158
New South Wales	117	1004	1121
Victoria	111	771	882
Queensland	95	626	721
South Australia	42	285	327
Western Australia	48	283	331
Tasmania	28	138	166
<b>Total</b>	<b>945</b>	<b>3761</b>	<b>4706</b>

### Staffing by classification and location at 30 June 2003

Classification	Nat. Off.	NSW	VIC	QLD	SA	WA	TAS	Total
Deputy Managing Director	1	-	-	-	-	-	-	1
General Managers	6	-	-	-	-	-	-	6
Commission Secretary	1	-	-	-	-	-	-	1
State Managers & Deputy State Managers	-	2	2	1	1	1	1	8
Senior Executives	39	6	6	4	2	2	-	59
Professional Officers	9	10	14	12	4	8	2	59
Senior IT Officers	193	-	-	-	-	-	-	193
Principal Executive Officers	337	19	14	13	7	5	7	402
IT Officers	69	-	-	-	-	-	-	69
Executive Officers	333	150	92	88	29	35	17	744
Administrative Officers	170	141	175	92	59	59	21	717
Customer Service Officers	-	793	579	511	225	221	118	2447
<b>Total</b>	<b>1158</b>	<b>1121</b>	<b>882</b>	<b>721</b>	<b>327</b>	<b>331</b>	<b>166</b>	<b>4706</b>

### Culturally and linguistically diverse (CALD) employees by classification at 30 June 2003

Classification	CALD-1*	CALD-2 <sup>1</sup>	Total
Administrative Officers	92	96	188
Customer Service Officers	260	240	500
Executive Officers	40	64	104
IT Officers	26	4	30
Principal Executive Officers	39	25	64
Science Officers	10	5	15
Senior IT Officers	32	7	39
Senior Executive Service	6	3	9
<b>Total</b>	<b>505</b>	<b>444</b>	<b>949</b>

\*CALD-1 – Employees from a culturally and linguistically diverse background where a language other than English is spoken at home.

<sup>1</sup>CALD-2 – Employees from a culturally and linguistically diverse background where English is spoken at home but the parents speak a language other than English.

### Culturally and linguistically diverse (CALD) speaking employees by State at 30 June 2003

State	CALD-1*	CALD-2 <sup>1</sup>	Total
National Office	135	79	214
New South Wales	201	140	341
Queensland	26	30	56
South Australia	10	51	61
Tasmania	5	5	10
Victoria	113	103	216
Western Australia	15	36	51
<b>Total</b>	<b>505</b>	<b>444</b>	<b>949</b>

\*CALD-1 – Employees from a culturally and linguistically diverse background where a language other than English is spoken at home.

<sup>1</sup>CALD-2 – Employees from a culturally and linguistically diverse background where English is spoken at home but where the parents speak a language other than English.

### Aboriginal or Torres Strait Islander employees by classification and gender at 30 June 2003

Classification	Male	Female	Total
Administrative Officers	0	1	1
Customer Service Officers	1	23	24
Executive Officers	0	2	2
Principal Executive Officers	0	1	1
<b>Total</b>	<b>1</b>	<b>27</b>	<b>28</b>

### Aboriginal or Torres Strait Islander employees by State and gender at 30 June 2003

State	Male	Female	Total
National Office	0	3	3
New South Wales	1	5	6
Queensland	0	10	10
South Australia	0	3	3
Tasmania	0	1	1
Victoria	0	4	4
Western Australia	0	1	1
<b>Total</b>	<b>1</b>	<b>27</b>	<b>28</b>



### Employees with a disability by gender and classification at 30 June 2003

Classification	Male	Female	Total
Administrative Officers	6	10	16
Customer Service Officers	6	48	54
Executive Officers	2	9	11
Principal Executive Officers	6	5	11
Science Officers	1	0	1
Senior IT Officers	4	0	4
Senior Executive Officers	1	1	2
<b>Total</b>	<b>26</b>	<b>73</b>	<b>99</b>

### Employees with a disability by gender and State at 30 June 2002

State	Male	Female	Total
National Office	14	5	19
New South Wales	4	19	23
Queensland	2	10	12
South Australia	2	6	8
Tasmania	0	2	2
Victoria	3	28	31
Western Australia	1	3	4
Total	26	73	99

### HIC employees covered by a Certified Agreement or an Australian Workplace Agreement at 30 June 2003

Type of Agreement	Senior Executives	Other employees	Total
2001-03 Certified Agreement	0	4419	4419
Australian Workplace Agreement	75	212	287
Total HIC employees	75	4,631	4,706*

\*Excludes Managing Director

## APPENDIX E Consultancy services engaged by HIC

The following table lists new and extended consultancy contracts let to the value of \$10,000 or more (inclusive of GST) during 2002–03. Included is the name of the consultant; a summary description of the nature and purpose of the consultancy; the contract price for the consultancy; the selection process used, including whether the consultancy was publicly advertised; and the reason for the decision to employ consultancy services for each individual consultancy.

### Key:

Selection process:

- 1 = publicly advertised tender;
- 2 = selective tender; and
- 3 = direct engagement without tender.

Reason:

- a = project required specialist knowledge and/or skills not available within HIC at the time;
- b = consultant was a recognised expert in the field and/or had particular skills/experience gained from similar work for HIC; and
- c = project required input from a person/organisation accepted as independent of HIC.

### Consultancy services provided to HIC in 2002–03

Company Name	Purpose	Price	Process	Reason
90East Asia Pacific Pty Ltd	Assist with planning and scheduling Consultancy DSD Certificate – Risk Assessment for Gateway; Participation in risk assessment for Gateway	\$21,625.00	3	a
ABRM International Pty Ltd	Provision of OH&S Program	\$42,741.74	3	b
Accenture Australia Ltd	Business Architecture Organisation design and change; Directories Project; Business Improvement Planning and review; Strategy and planning; IT Architecture; BMMS Risk Management; PBS On-line eAuthorities; Completion of high level BR Consultancy	\$5,438,055.93	2/3	a/b
Access Economics Pty Ltd	PBS Initiatives savings measurement and reporting	\$31,800.00	3	a
Acumen Alliance	Support business analysis and business planning; 4 year plan review; PBS Initiative group; Review of Audit processes and practices; Financial Management; PBS Initiative – prescription shopping and overseas drug diversion; PBS electronic authorities and approvals; Mid year financial review; HIC Desktop; SAP Project Accounting; IT transition and cost structure costing methodology; Asset revaluation for hard close and financial year end	\$144,001.26	2/3	a/b/c

Company Name	Purpose	Price	Process	Reason
Alchemy Management Solutions P/L	CDD input into WEB content management solution	\$22,800.00	3	a
APIS Consulting Group	Development of scoping and vision/parameters documentation for project requirements; Provision of advice on an evaluation framework for the HIC Learning and Development strategy 2003-06; PMSS Project	\$12,672.00	4	a/b
APT Associates	Robyn Woodrow – Contract	\$21,000.00	1	a/c
AR Liband & Associates Pty Ltd	ITSD Organisation Development; Leadership Team Development; HR Forum Planning and Facilitation; Develop On-line Integration; Modern Stake Workshop;	\$43,962.80	3/2	(a/b/c)
Aspect Computing Pty Ltd	HIC On-line Document Writing and Training for PMD Reference Suite	\$276,909.05	(1)	(a/c)
Avanade Australia Pty Limited	Management Architecture	\$31,461.09	3	b
BOOZ Allen Hamilton	Develop BI support strategy and implementation plan	\$11,905.66	1	a
CHIK Services Pty Ltd	PKI Site Identification – Consultancy Services	\$47,730.27	3	a/c
Combined Management Consultants Pty Ltd	Manage BI infrastructure performance and schedule; HALO project management; IBIS project management; WEB Channel content management system; EDW project management; FAO project management	\$22,526.46	3	a
Coolong Consulting (Aust) Pty Ltd	Communications Review; Channel Improvement Project; CCA Project high level business and IT input; CCA Project Phase 3; Performance compliance platform specialist – voice	\$792,370.16	2/3	a
Deloitte Consulting Pty Ltd	Simplified Billing Tender Evaluation	\$121,380.00	3	a/b
Deloitte Touche Tohmatsu	IT Audit	\$20,460.00	1	a
Department of Health & Ageing	Simplified Billing Project	\$47,365.02	3	a
Diversiti Pty Ltd	Client services for performance compliance	\$34,000.00	3	a
Dr Ian Breadon	Professional Services – Dr Ian Breadon	\$25,036.23	3	b
Dr Stephen Vaughan	Professional Services – Dr Stephen Vaughan	\$21,087.37	3	b
Dr Steve G Zantos	Optometric Adviser Services	\$34,830.39	3	b
Empower Research Pty Ltd	HIC Staff Survey	\$103,172.68	1	c
EP Safety & Rehabilitation	Rehabilitation Case Management; Work Station Assessment Services	\$97,595.25	2	b
Ernst & Young	HIC Security Policy	\$101,963.00	2	a

Company Name	Purpose	Price	Process	Reason
FOTJOL Pty Ltd	HIC Desktop Applications Rationalisation; Network disengagement; Disaster recovery – Business continuity; PABX Strategy	\$246,290.65	3	a
Foundation Technology Services	Develop an OO Metrics Tool	\$19,584.00	3	a
Galt Business Services	Professional Services for the BI Service Level Project; Completion of Optus Negotiations	\$190,121.82	3	a
Hay Group Pty Ltd	Top Team Effectiveness Project Step 1 Planning	\$154,325.75	1	c
Hays Personnel Services (Australia)	Professional Services – Colleen Doyle	\$16,132.75	3	b
HBA Consulting	Professional Services for HIC Classification Review	\$68,810.60	3	a
Health Infotech Solutions Pty Ltd	Simplified Billing Project	\$40,740.09	3	a
Hermes Precisa Pty Ltd	Scanning Improvement Project	\$10,000.00	1	c
IBM Global Services Australia	Security Architecture	\$854,136.38	3	a
IISM Group	Program Management Medicare Reform; Eclipse, HIC On-line; Integrity of Medicare Card Review; Business Case development – Simplified Billing	\$287,744.00	3	a
Indigenous Employment Specialists	Indigenous Recruitment Services; Delegates and Coordinator Workshop	\$14,200	2	a
Iterative Consulting Pty Ltd	IT Architecture	\$243,950.52	3	a
Kaz Technology Services Pty Ltd	Consultancy Services – David Ritchie	\$26,940.32	3	a
Kenneth C – Turbet	Disciplinary Consultancy Services	\$11,892.18	3	b
Kestral Computing Pty Ltd	Provision of expert advice regarding HL7 specifications	\$28,766.27	3	a
KPMG	Professional Services – Issues Medibank and HIC	\$15,060.95	3	b
Lumbers Consulting	IT Planning	\$52,003.18	3	a
M&T Resources	Account Management Framework within the area of Stakeholder Relations; Telephone Booth Rollout	\$29,680.00	2/3	a/b
Mallesons Stephen Jacques	Legal Services	\$14,180.00	1/3	a/b/c
Mastech Asia Pacific Pty Ltd	HeSA Development	\$22,800.00	3	a/b
Moz Consulting	Professional Fees for Management Consulting – Evaluation of PSP	\$36,588.85	2	c
Naccho	HIC Aboriginal and Torres Strait Islander Strategy	\$30,000	3	c
NLP Australia Pty Ltd	Consulting Transition Planning	\$16,193.17		
Open Health Pty Ltd	Simplified Billing New Claiming Model	\$40,000	3	b

Company Name	Purpose	Price	Process	Reason
Palm Management Pty Ltd	Property Management Services Project	\$10,500	1	a
Price Waterhouse Coopers	IT Audit Services	\$241,404.59	2/3	a
QMS	Inquiry into ACT staff complaints; Investigation of Disciplinary Cases; Consultancy Disciplinary Services	\$49,246.74	3	b/c
Rational Software Pty Ltd	IT architecture Development Architecture and Implementation Office	\$419,843.57	1/2/3	a/b
Red 3 Pty Ltd	Project to incorporate PSTC Reference Group's Amendments; Pathology Service Table Maintenance	\$32,853.50	1	a
Results Consulting (Australia) Pty Ltd	Review and develop HIC's Equity and Diversity Plan 2003-2006	\$11,790.91	2	b
Ruth Perrett	Professional Services	\$27,550.00	3	a
SMS Consulting Group Limited	Development of ODC Database for Business Modelling; Review of Diploma of Project Management Training; CCA Project	\$42,100.00	1/3	a/c
Taylor Nelson Sofres Australia P/L	Professional Service – BIP Research	\$108,500.00	1	c
Terra Firma Pty Ltd	Automated Risk Management System Project	\$34,750.00		
The Boston Consulting Group Pty Ltd	Professional Fees – Strategic Advice	\$105,800.00	2	a/b/c
Tier Technologies (Australia) P/L	Review of Consolidation Criteria; Transition Strategy	\$43,786.67	3	a
University of Wollongong	ARC SPIRT Automated Fraud Detection	\$40,000	3	a
Urbis	Professional Fees – Jones/Fallon	\$12,687.50	1	a
Value Focusing Pty Ltd	Consultancy Services – Relationship Value Workshop	\$13,517.23	3	b
Waldrons Optometrists Pty Ltd	Provision of Optometrical advice for QLD/WA/NT	\$34,429.89	3	a
Walter and Turnbull Pty Ltd	Review Property Management Project	\$24,981.83	2	c
WalterTurnbull	Consultancy Services Risk Management PBS On-line; Professional Fees Business Strategic Sourcing	\$82,863.18	1/3	a/c/b
WST Pacific Pty Ltd	Consultancy Services – PMSS	\$62,131.74	3/1	a/b

## APPENDIX F *Charter of Care Report*

The following tables detail HIC's performance against its *Charter of Care* standards and provide information about customer feedback for 2001–02 and 2002–03.

Table 1 Claims processing and payment standards for HIC public customers

Table 2 Claims processing and payment standards for service providers

Table 3 Telephone enquiry standards

Table 4 Correspondence standards

Table 5 Medicare office counter enquiry standards

Table 6 Freedom of Information standards

Table 7 Customer feedback

**Table 1: Claims processing and payment standards for HIC public customers**

Service	Service standard	Performance	
		2001–02	2002–03
Medicare	Paid accounts will be reimbursed by cash on the day at a Medicare office (daily limits apply).	100%	100%
	Paid accounts will be reimbursed by electronic funds transfer (EFT) to your nominated account (not available for passbook accounts) or by cheque posted to you 10 days after lodgement.	94%	97%
	Claims for unpaid general practitioner (GP) accounts will be reimbursed by cheque made out to the doctor. The cheque will be posted to you 16 days after lodgement.	99%	100%
	Claims for other unpaid medical provider accounts will be reimbursed by cheque made out to the provider. The cheque will be posted to you 18 days after lodgement.	99%	100%
<b>For claims made electronically (including via a doctor's practice):</b>			
	Paid accounts will be reimbursed by EFT to your nominated if requested (not available for passbook accounts) or by cheque posted to you 10 days after lodgement.	95%	92%
	Claims for unpaid GP accounts will be reimbursed by cheque made out to the doctor and sent to you 14 days after lodgement.	99%	99%
	Claims for other unpaid medical provider accounts will be reimbursed by cheque made out to the provider. The cheque will be posted to you 15 days after lodgement.	99%	99%
Compensation	A Medicare History Statement will be processed within 28 days of receipt of a Request for Notice of Past Benefits.	98%	98%
	A Notice of Past Benefits will be processed within 28 days of receipt of an accepted Medicare Claims History Statement.	98%	98%
	On receipt of an accepted Medicare Claims History Statement, refunds from an advance payment will be made within 3 months of HIC receiving both the Notice of Judgment or Settlement and the advance payment amount.	98%	98%

**Table 2: Claims processing and payment standards for service providers**

Service	Service standard	Performance	
		2001-02	2002-03
Medicare (Bulk bill)	Manual bulk bill claims for all services except pathology and GP services will be reimbursed to providers by cheque 15 days after lodgement.	99%	98%
	Manual GP claims will be reimbursed to providers by cheque 14 days after lodgement.	99%	99%
	Manual pathology claims will be reimbursed to providers by cheque 28 days after lodgement.	96%	97%
	Electronically lodged claims for all services except pathology will be reimbursed to providers by cheque or EFT 8 days after lodgement.	82%	84%
	Electronically lodged pathology claims will be reimbursed to providers by cheque or EFT 28 days after lodgement.	95%	96%
Australian Childhood Immunisation Register	Australian Childhood Immunisation Register notification payments will be made by EFT, and a statement mailed to providers within 7 days of the end of each month.	100%	100%
General Practice Immunisation Incentives	A General Practice Immunisation Incentives payment calculation will be run quarterly in February, May, August and November of each year. All payments will be made and statements sent within 2 weeks of the quarterly calculations.	100% (payments)	100% (payments)
		75% (statements)	75% (statements)
Service Incentive Payments	Service Incentive Payments will be made within 5 days of the end of each month.	100%	100%
Practice Incentives Payments	A Practice Incentives Program payment will be run quarterly in February, May, August and November of each year.	100% (payments)	100% (payments)
	All payments will be made and statements sent within 2 weeks of the quarterly calculations.	75% (statements)	50% (statements)

**When correct documentation is provided:**

Pharmaceutical Benefits Scheme	Cash payments for claimants of patient refunds will be processed on the day at a Medicare office (daily cash limits apply).	100%	100%
	Cheque payments for eligible patient refunds will be issued within 28 days of lodgement.	91%	94%
	Claims Transmission System (CTS) benefits claims will be paid to the pharmacy within 17 days.	99%	100%
	Written authority approvals will be provided within 3 working days from date of receipt.	98%	99%
	Prescription pad orders will be dispatched within 4 weeks of receipt.	100%	100%
Veterans' Affairs Processing	Medical claims will be reimbursed to medical practitioners within 28 days.	99%	99%
	Hospital claims will be reimbursed to hospitals within 28 days, unless otherwise contracted.	98%	98%
	Ancillary service claims will be paid to providers within 28 days, unless otherwise contracted.	98%	92%

## Telephone enquiry standards

### Standard:

We aim to answer the majority of your phone calls within 30 seconds and resolve your enquiry during that call.

### Performance:

Of the 10.4 million calls received in 2002–03 (9.6 million in 2001–02), the majority were answered in less than 30 seconds. These statistics are automatically recorded using call centre software.

A breakdown of performance figures for HIC's major programs is shown below.

**Table 3: Telephone enquiry standards**

Enquiry line	Performance*	
	2001–02	2002–03
Australian Childhood Immunisation Register enquiry line and reports	92%	93%
Australian Childhood Immunisation Register internet enquiry line	93%	94%
Australian Organ Donor Register	96%	96%
Botulinum Toxin	–	100%
Compensation	98%	97%
Department of Veterans' Affairs – Allied	96%	95%
Department of Veterans' Affairs – Hospital	99%	99%
Department of Veterans' Affairs – Medical	99%	99%
Federal Government 30% Health Insurance Rebate	97%	95%
Improved Medicare Entitlement Program	–	94%
Location Specific Practice Number – Registrations	–	75%
Medclaims	92%	94%
Medicare easyclaim	99%	99%
Medicare provider enquiries	94%	95%
Medicare public enquiries	93%	96%
Optometrical – transfer to operator	91%	97%
Pharmaceutical Benefits Scheme authority approvals	93%	93%
Pharmaceutical Benefits Scheme general enquiries	91%	93%
Practice Incentives Program payments	99%	99%
Rural Retention Program	98%	100%
Rural Transaction Centres	–	99%
Simplified Billing	–	94%
Telephone Claiming	95%	96%

\* Proportion of calls answered by an operator within 30 seconds (average across Australia).



**Table 4: Correspondence standards**

Standard	Performance in 2002-03		
	Number recorded*	Average number of days to acknowledge	Average number of days to resolve
We will respond to you as quickly as possible within 28 days when you:	12,200	6	8
<ul style="list-style-type: none"> <li>ask for information;</li> <li>seek a decision;</li> <li>lodge an objection; or</li> <li>give us feedback, such as a complaint or suggestion, and you ask us for a response.</li> </ul>			
If we cannot meet the 28-day standard we will advise you of an expected reply date, and who to contact in the meantime, within 14 days of receipt of your query.			

**Table 5: Medicare office counter enquiry standards**

Standard	Performance	
	2001-02*	2002-03†
We aim to keep waiting times below 10 minutes.	100% of customers were served in under 10 minutes	100% of customers were served in under 10 minutes

\*Based on 2,720 external observations conducted in Medicare offices during 2001-02.

† Based on 2,516 external observations conducted in Medicare offices during 2002-03.

**Table 6: Freedom of information standards**

Standard	Performance	
	2001-02	2002-03
We will acknowledge your request under the <i>Freedom of Information Act 1982</i> within 14 days of receipt and respond within 30 days of receiving your request. If other parties need to be consulted, the law provides for another 30 days for a decision to be made.	3 requests were carried over and 14 requests were received in 2001-02. Of these, 14 decisions were made, 2 were withdrawn and 1 was carried through to 2002-03. All were acknowledged within 14 days of receipt. Of 14 decisions, 14 were responded to within the legislated time frames.	1 request was carried over and 14 requests were received in 2002-03. Of these, 10 decisions were made, 2 were withdrawn and 3 were carried through to 2003-04. All were acknowledged within 14 days of receipt and, of 10 decisions, 10 were responded to within the legislated time frames.

**Table 7: Customer feedback as recorded in HIC's customer feedback register**

Feedback type	Volume		Further details	
	2001-02	2002-03	2001-02	2002-03
Suggestions	81	87	77% of all suggestions were Medicare related	89% of all suggestions were Medicare related
Compliments	131	185	83% of all compliments were Medicare related	80% of all compliments were Medicare related
Complaints*	392	300	Top 4 complaints categories were: <ul style="list-style-type: none"> <li>• Medicare claims — general feedback</li> <li>• Pharmaceutical Benefits Scheme — miscellaneous</li> <li>• Medicare offices — general feedback</li> <li>• Medicare cheque — general feedback</li> </ul>	Top 4 complaints categories were: <ul style="list-style-type: none"> <li>• Medicare claims — general feedback</li> <li>• Medicare offices — general feedback</li> <li>• Medicare Public — miscellaneous</li> <li>• Medicare cheque — general feedback</li> </ul>

\*A complaint is entered onto the Customer Feedback Register only if it is not satisfactorily resolved by either the staff member initially contacted by the customer or the staff member's supervisor.

## APPENDIX G Telephone calls received

Telephone call volumes for major programs in each of the States and the Australian Capital Territory are listed below.

### Telephone call volumes received by States and in the Australian Capital Territory 2002–03

Program	Total	NSW	QLD	VIC	SA	TAS	WA	ACT
ACIR enquiry line and reports	210,922		29,892			4,484	176,546	
ACIR internet helpline	7,409		782				6,627	
ATSI access line	28,247	3,206	6,198	400	10,325	22	8,096	
Australian Organ Donor Register	34,994		10,121			24,873		
Botulinum Toxin (from May 2003)	65					65		
Compensation	198,839	110,909	87,93					
DVA — Allied	61,386				61,386			
DVA — Hospital	6,040			3,072			2,968	
DVA — Medical	56,704			34,798			21,906	
Easyclaim booth enquiries	74,556					74,556		
Easyclaim fax enquiries	40,296		26,562			13,734		
IME line	284,914	76,548	208,366					
LSPN (from March 2003)	2,023							2,023
Medclaims	93,573	33,413	24,273	20,978	7,567		7,342	
Medicare levy exemption	15,609					15,609		
Medicare provider enquiries	1,437,989	424,177	279,333	386,608	140,373	29,928	177,570	
Medicare public enquiries	1,959,996	637,337	363,384	474,102	214,085	46,233	224,855	
Optometrical — IVR* 1,203,058	1,203,058							
Optometrical — transfer to operator	14,715		14,715					
PBS authority approvals	4,438,018	1,330,832	1,068,552	1,020,168	324,953	104,488	589,025	
PBS general enquiries	250,189	82,064	80,761	42,365	18,485	5,593	20,921	
PIP payments	23,132				23,132			
Rural Retention Program	869				869			
Simplified Billing (from March 2003)	17,544	5,849	2,402	6,788	17	40	2,448	
Telephone claiming	18,384	2,846	10,737		182	4,279	340	
30% Rebate	1,733	565	159	191	354	15	449	
TOTALS	10,481,204	2,707,746	2,214,167	1,989,470	801,728	323,919	1,239,093	1,205,081

Note: Blank areas indicate telephone calls for a particular program are not handled in that State.

\*Calls to the optometrical interactive voice response line are not recorded by State.

## APPENDIX H Accessing HIC

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### **HIC's National Office**

134 Reed Street North  
GREENWAY ACT 2900  
Telephone: (02) 6124 6333  
Fax: (02) 6282 5025

#### **Postal Address:**

PO Box 1001  
TUGGERANONG  
DC ACT 2901

### **State Offices**

#### **New South Wales**

150 George Street  
PARRAMATTA NSW 2150  
Telephone: (02) 9895 3333  
Fax: (02) 9895 3082

#### **Victoria**

460 Bourke Street  
MELBOURNE VIC 3000  
Telephone: (03) 9605 7333  
Fax: (03) 9605 7980

#### **Queensland**

444 Queen Street  
BRISBANE QLD 4000  
Telephone: (07) 3004 5333  
Fax: (07) 3004 5410

#### **South Australia**

209 Greenhill Road  
EASTWOOD SA 5063  
Telephone: (08) 8274 9333  
Fax: (08) 8274 9371

#### **Western Australia**

Bankwest Tower  
108 St Georges Terrace  
PERTH WA 6000  
Telephone: (08) 9214 8333  
Fax: (08) 9214 8322

#### **Tasmania**

242 Liverpool Street  
HOBART TAS 7000  
Telephone: (03) 6215 5333  
Fax: (03) 6215 5700

## HIC's national telephone enquiry service

HIC can be contacted by using HIC's national telephone enquiry service. Calls to 13 numbers cost 25 cents from anywhere within Australia. Calls to 1800 numbers are free of charge. Calls from public pay phones or mobile phones may be charged at higher rates. Information is also obtainable from HIC's website [www.hic.gov.au](http://www.hic.gov.au)

<b>24-hour 7 day enquiry lines</b>	<b>Telephone number</b>
Australian Childhood Immunisation Register enquiry line and reports	1800 653 809
Australian Childhood Immunisation Register internet enquiry line	1300 650 039
Australian Organ Donor Register	1800 777 203
Australian Organ Donor Register (Approved Medical Practitioner)	1800 556 455
Customs Prescription Drug Smuggling	1800 032 258
General Practice Immunisation Incentives scheme enquiries/immunisation reports	1800 246 101
Medicare easyclaim fax	1800 633 201
Medicare easyclaim fax enquiries	1800 722 008
Pharmaceutical Benefits Scheme authority approvals	1800 888 333
PKI Customer Service Centre	1300 660 035
Telephone claiming	1300 360 460

## **Business hours enquiry lines**

Aboriginal and Torres Strait Islander Access Line	1800 556 955
Bali special health care benefits hotline	1800 660 026
Compensation	132 127
Department of Veterans' Affairs — Allied	1300 550 051
Department of Veterans' Affairs — Hospital	1300 551 002
Department of Veterans' Affairs — Medical	1300 550 017
Doctor shopping hotline	1800 631 181
Federal Government 30% Health Insurance Rebate	136 221
HIC Online	1800 700 199
Improved monitoring of entitlements (IME)	1300 302 122
Medclaims	1300 788 008
Medical advisory line	1800 800 314
Medicare provider enquiries	132 150
Medicare public enquiries	132 011
National electronic data interchange help desk	1300 550 115
Optometrical IVR Date of Service Check	1300 652 752

Pharmaceutical Benefits Scheme general enquiries	132 290
Practice Incentives Program payments	1800 222 032
Rural Retention Program	1800 010 550
Simplified billing	1300 130 043
Source based audit	1800 675 235
Teletypewriter (hearing impaired)	1800 552 152

<b>HIC public email addresses</b>	<b>email</b>
Australian Childhood Immunisation Register	acir@hic.gov.au
Australian Organ Donor Register	aodr@hic.gov.au
Compensation	medicare.enq@hic.gov.au
General Practice Immunisation Incentives scheme	gpri@hic.gov.au
HIC general enquiries	hic.info@hic.gov.au
HIC's Service Charter – Charter of Care	service.charter@hic.gov.au
Medicare provider enquiries	medicare.prov@hic.gov.au
Medicare public enquiries	medicare.enq@hic.gov.au
Pharmaceutical Benefits Scheme	pbs.enq@hic.gov.au
Public Key Infrastructure	pki@hic.gov.au
Practice Incentives Program	pip@hic.gov.au
Better medication management system, now known as MediConnect	bmms@hic.gov.au
MediConnect	medicconnect@hic.gov.au
Software vendor helpdesk	edihelp@hic.gov.au
Software vendor liaison	Edi.liaison@hic.gov.au
HIC Online	Hic.online@hic.gov.au
Software Vendor Account Management	sam@hic.gov.au
Pathology	Pathology.section@hic.gov.au
HIC Statistics	hicstats@hic.gov.au
Public Affairs	Public.affairs@hic.gov.au
Program Review Division	Professional.review@hic.gov.au
GPMOU 90 Day Scheme	90daypay@hic.gov.au
Feedback Reporting Facility for providers and specialists	Provider.feedback@hic.gov.au
GST enquiries	Gst.enquiries@hic.gov.au
Victorian EDI Helpdesk	vicedi@hic.gov.au
Simplified Billing	Simplified.billing@hic.gov.au Qld.simplified.billing@hic.gov.au Sa.simplified.billing@hic.gov.au Wa.simplified.billing@hic.gov.au Nsw.simplified.billing@hic.gov.au Vic.simplified.billing@hic.gov.au Tas.simplified.billing@hic.gov.au