

MEDICARE & YOUR COMPENSATION CLAIM

Medicare's Compensation Recovery Program

FREQUENTLY ASKED QUESTIONS

Why will Medicare Australia be involved in my claim?

- When a person is injured, very often, Medicare pays benefits, including for GP treatment, specialist treatment, and radiology. In serious cases, nursing home benefits are paid.
- When an injured person makes a claim for damages/compensation, very often, the claim will include a claim for all past and future medical expenditure. Under the *Health and Other Services (Compensation) Act 1995*, Medicare is entitled to recover all monies it has spent in connection with the injured person's treatment.
- It's really very simple. You will include as part of your claim for damages/compensation all monies spent in connection with your treatment, including monies spent by Medicare Australia. Medicare Australia will, in turn, recover all monies spent by it. *You will not be out-of-pocket.*
- Medicare Australia maintains a Compensation Recovery Section. This Section will correspond directly with you and the insurer.

Who informs Medicare Australia of the compensation claim?

- In most cases, the insurer will notify Medicare. You will receive correspondence from Medicare once the insurer notifies. In some instances, it's necessary for us to notify Medicare on your behalf.

Will my compensation payment affect my future claims for Medicare benefits?

- No. After your claim has been finalised, you will have the same entitlement to claim Medicare benefits as you had before your injury.

Can I claim from Medicare Australia if I have a compensation claim?

- Yes. You can claim. But Medicare will want to know if the claim is in connection with a compensation claim. And the amount paid by Medicare in connection with the treatment will be recovered by it under the Compensation Recovery Program.

Will I be required to attend to paperwork?

- Yes. Medicare will want to know all treatments in connection with your injuries. You will receive from Medicare a *Claims History Statement*. You will be required to go through the Claims History and to tick all items which relate to injuries received in the accident. Medicare will seek to recover these items.
- Medicare takes the Recovery Program very seriously. You will be required to make a statutory declaration, the purpose of which is to certify that you have informed Medicare of all injury related treatments.
- The staff at Gibney & Gunson are familiar with the Medicare requirements. When you receive your Medicare documents, you should contact the office for an appointment so that the documents can be attended to. If you do not live in Albury/Wodonga, we can advise you by telephone or email as to the matters you need to attend to.
- Medicare will issue a *Notice of Past Benefits* when the Claims History Statement and statutory declaration are returned to it. This Notice of Past Benefits will set out the amount to be repaid to Medicare Australia, and it will be valid for a period of 6 months.

What happens when my claim has reached judgment or settlement?

- If there is a current Notice of Past Benefits (these notices are current for 6 months), the insurer will deduct the amount which appears on the notice and will pay it to Medicare. You will receive the balance.
- If there is not a current Notice of Past Benefits, a fresh Claims History Statement will be sent to you with statutory declaration, and these documents can be attended to at this office.
- The documents must be attended to as a matter of urgency. Failure to attend to the documents can have severe consequences (including Medicare forfeiting 10% of the compensation amount awarded).
- When the fresh Claims History Statement and statutory declaration are attended to, the procedure is:
 - Medicare will withhold 10% of the amount of your damages/compensation. The insurer is required by law to pay 10% to Medicare.
 - Medicare will deduct from the 10% paid to it all monies required to be recovered. You will receive the balance. The balance will be paid directly to your nominated bank account.

Internet resources

- You can find out more about Medicare Australia's Compensation Recovery Program by going to their website – www.medicareaustralia.gov.au. If you enter “*compensation*” into the search engine, forms and information in relation to the Compensation Recovery Program will be available for you to read.

WARNING!

Medicare documents must be attended to promptly. The time limits will be set out on the documents you receive. Failure to abide by the time limits can result in Medicare forfeiting 10% of the damages/compensation. The Medicare Compensation Recovery System works very well, but compliance with Medicare time limits is critical. If you strike any problems, you should contact us urgently and we will liaise with Medicare, with a view to seeking extension of time if this becomes necessary.

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