



Terms and Conditions of using the Medibank GapCover scheme

1. **Effective Date.** These Terms and Conditions are effective from 19th December 2023 and apply to all claims submitted, and to all persons submitting accounts, for payment in relation to the GapCover scheme on and from that date.
2. **Important Terms.** In these Terms and Conditions, the GapCover Booklet or Provider Guide (and any associated documentation), unless the contrary intention appears, the following terms have the following meanings: —
 - (a) **Medibank** means Medibank Private Limited ABN 47 080 890 259, whose private health insurance activities are conducted under the two brands “Medibank Private” and “ahm”.
 - (b) **GapCover scheme** refers to the arrangements for making GapCover claims in respect of medical treatments provided by participating Providers to Members, including the No Gap and Known Gap versions of these arrangements, as further described in the [GapCover Provider Guide](#).
 - (c) **Fund Gap** is where Medibank pays the minimum benefit that it is required by law to pay in respect of medical services for admitted hospital treatment. Generally, this means that:
 - (i) Medibank pays not more than 25% of the MBS fee for that service;
 - (ii) Medicare pays 75% of the MBS fee; and
 - (iii) the Member pays an out-of-pocket payment equal to the difference between the MBS fee and the Provider’s charge.
 - (d) **Member** means a person who is insured under a private health insurance policy issued by Medibank, including policies issued under either the “Medibank Private” brand or the “ahm” brand.
 - (e) **Provider** means a medical practitioner.
 - (f) **IFC or Informed Financial Consent** is defined in item 9 below.
 - (g) **MBS** means the Medicare Benefits Schedule which is the current schedule of medical fees set by the Commonwealth Government pursuant to the *Health Insurance Act 1973* (Cth) and its regulations, as amended or reissued.
3. **General.** These Terms and Conditions and the GapCover Booklet or Provider Guide set out the basis on which Medibank recognises Providers for the purpose of paying benefits under the GapCover scheme. By participating in the GapCover scheme, the relevant Provider

acknowledges that he or she has read these Terms and Conditions and agrees to abide by them.

4. **Revision to Terms and Conditions.** These Terms and Conditions may be revised from time to time. The revised Terms and Conditions will be made available via the “Provider” pages of the medibank.com.au and ahm.com.au websites. Medibank will provide advance notice of at least 30 days to Providers of material changes to these Terms and Conditions; however, Providers are encouraged to regularly review these websites for any changes to the Terms and Conditions. Material changes to the Terms and Conditions will take effect at the end of the 30-day notice period. All other changes to the Terms and Conditions will take effect immediately.
5. **Administrative Processes.** The administrative requirements specified in the GapCover Booklet for the submission of GapCover claims form part of these Terms and Conditions. Any claims not conforming to those requirements will be paid by Medibank as GapCover claims at Medibank’s discretion, acting reasonably, and otherwise on a Fund Gap basis, provided that in each case the claims meet the minimum requirements for a benefit being payable by Medibank to its Member. The Provider acknowledges and agrees that no prior discretionary payments of benefits under a GapCover scheme and no pattern of having done so may form the basis of any expectation or entitlement that a similar discretion will be exercised again in the future by Medibank.
6. **Representations in submitting a GapCover claim.** On each occasion that a Provider submits a claim in accordance with the GapCover scheme, the Provider represents to Medibank that the information provided with the claim is correct and complete, that the services in respect of which the claim is submitted have been provided to a Member, and that all the requirements or conditions specified elsewhere in these Terms and Conditions or in the GapCover Booklet, whether they concern the Provider, the services or the claim, were satisfied at the time of the service being provided and at the time of the claim being submitted.
7. **Registration.** A Provider must be registered with Medibank in order to submit claims pursuant to the GapCover scheme. Information on how to register can be found on the Provider pages of the medibank.com.au and ahm.com.au websites: see the ‘Gap Cover Application and Change of Details Form’. At its reasonable discretion, Medibank may receive a GapCover claim made by or on behalf of a Provider who has not formally registered to participate in the GapCover scheme. In each case, the claims so submitted are subject to these Terms and Conditions and the Provider submitting the claim agrees to be subject to these Terms and Conditions. Providers also agree to notify Medibank of any changes to registration details, including contact details, bank account details and practitioner registration status.
8. **Termination or suspension of registration.** Medibank may terminate or suspend a Provider’s participation in the GapCover scheme by providing her or him with 30 days’ written notice. The Provider may choose not to use the GapCover scheme simply by ceasing to submit claims through the GapCover processes. A provider is free to remain registered to use the GapCover scheme but to submit claims other than via GapCover processes: such claims will not be treated as claims for benefits made under the GapCover scheme, and the terms and conditions



of the GapCover scheme will not apply to them. Claims made outside the GapCover scheme will be paid as Fund Gap claims if they relate to treatments in respect of which the relevant Medibank member has an entitlement to benefits.

9. **Informed Financial Consent.** Prior to providing any services to a Member (or, if this is not reasonably practicable, as soon as reasonably practicable after providing the services), Providers proposing to invoice in accordance with the GapCover scheme must provide the Member (or their legal representative, as the case may be), with a written estimate of fees indicating any out-of-pocket expenses that the Member may incur during their episode of care, and must ensure that consent has been validly given by, or on behalf of, the Member on the basis of that information (**informed financial consent** or **IFC**).
10. **Known Gap claims.** For a GapCover claim, the maximum out-of-pocket amount that may be charged to, or in respect of, a Member for treatment provided in hospital by each claiming Provider (i.e., per doctor's account) is \$500, irrespective of the number of items or claim lines in the account for the relevant episode of care. If a higher out-of-pocket amount is charged for the relevant episode of care, the claim is not eligible to be submitted as a GapCover claim and it will be treated as a Fund Gap claim. If a GapCover claim has been made and has been paid by Medibank on the basis of it being a valid GapCover claim (having been made in accordance with these Terms and Conditions), and it is later ascertained that the Known Gap amount charged to the Member has exceeded \$500, the amount of the excess may be recovered or set off by Medibank from the Provider and held in trust by Medibank for refunding to its Member, except if the excess arose due to Medibank's negligence, fraud or willful misconduct.
11. **Total cost of treatment to be disclosed.** Claims submitted to Medibank by a Provider must be consolidated for a single Member for the entire episode of care (i.e. all services provided by the Provider from the date of the Member's admission to the date of the Member's discharge in respect of that episode of care) and identify the total cost of treatment provided during an episode of care, including the full out-of-pocket amount (if any) that the Member will be liable for. All professional services provided are to be itemised and described with the applicable MBS item number.
12. **Excluded claims and how to submit claims.** Claims already paid by a Member are not eligible to be submitted under the GapCover scheme, except to the extent that the claim qualifies as a Known Gap claim and the relevant payment already made by the Member was for the Known Gap patient contribution and was for less than \$500. Claims submitted by Members directly to Medibank are not eligible to be assessed for benefits payment under the GapCover scheme. Only claims submitted by or on behalf of Providers, and following the specifications in the GapCover Booklet for how these are to be submitted, will be treated, and assessed as GapCover claims.
13. **EFT.** Medibank will pay benefits in response to valid claims made in accordance with the GapCover scheme by electronic funds transfer and only into an account nominated by the relevant Provider.



14. **Publication of participating providers.** A Provider who participates in the GapCover scheme may be publicly identified by Medibank (or by a third party, at Medibank's direction) as a 'GapCover Provider' or 'GapCover participant' or via a similar designation. This may occur through the publication of information (online or in other media) for the benefit of Members, consumers and referring doctors. This may include publication of a Provider's name, practice location, specialties, address, and other contact details, as well as information relating to charging and GapCover scheme participation. A Provider may elect to be excluded from publication through the submission of a 'GapCover Application and Change of Details Form' available via the "Provider" pages of the medibank.com.au and ahm.com.au websites.
15. **Benefits not payable.** Benefits are not payable pursuant to the GapCover scheme – and no benefit may be payable at all under Fund Gap arrangements – in the following situations:
- (a) if a Medicare benefit is not payable in respect of any medical service that is the subject of the claim or where Medicare rejects the account of services provided during an episode of care;
 - (b) if the Member's membership with Medibank was not fully paid up (i.e., it was in arrears) at the date that the medical service was provided;
 - (c) if a benefit is not payable under the Member's policy for the services provided (including where that is an excluded service under the Member's policy, where a benefit is not payable because the Member had not completed serving a necessary waiting period, and where the product to which her or his policy belongs does not include access to benefits under the GapCover scheme);
 - (d) if the service was provided without the Member being, at the time the service was provided, an admitted patient at a hospital;
 - (e) if the Member was admitted to a public hospital as a public patient;
 - (f) if the Member, having been admitted to a private hospital, was nevertheless technically a public patient;
 - (g) if the hospital did not meet all requirements of State or Territory licensing or was not at the time recognised by the Commonwealth Minister of Health as a facility for private health insurance purposes;
 - (h) if the service was performed by a salaried doctor at a public hospital (even if exercising rights of private practice);
 - (i) if the account was covered by workers' compensation or third-party insurance, or if the patient is entitled to receive compensation or damages from any other person in respect of the disease, injury, or condition for the management of which the service was provided;
 - (j) if the claim for benefits was lodged more than 2 years after the date of service being provided;



- (k) if the Member has not received written information about the amounts they will have to pay towards the cost of the services or has not acknowledged the receipt of that information and provided IFC to the services being provided; or
 - (l) if the account is not sent directly to Medibank by, or on behalf, of the Provider.
16. **No other charges.** The Provider acknowledges that the payment of a GapCover amount to a Provider (along with any patient contribution that does not exceed \$500 if the claim is under Known Gap arrangements) is made in full satisfaction of a Member’s liability to the Provider for all services involving the provision of medical treatment to the Member as an admitted hospital patient during an episode of care. Without limiting the rights of the Provider to charge for the out-of-hospital provision of medical services (towards which Medibank pays no benefits), the Provider agrees not to bill a member for any additional “administration charge”, “booking fee” or similar charge, whether for arranging the Member’s admission to hospital or otherwise if that charge attracts no Medicare rebate.
17. **Consequences of charging non-permitted fees.** Except where caused or contributed to by Medibank’s negligence, fraud or willful misconduct, Medibank may recover from a Provider any amount charged to a member in breach of item 16 and paid to the Provider by the Member, which amount Medibank will hold in trust for and remit to the Member.
18. **Email address to be provided.** A Provider invoicing under the GapCover scheme must provide to Medibank a valid email address for her or his practice, acknowledging that Medibank may from time to time communicate with the Provider in relation to the GapCover scheme via email, including in relation to any changes to these Terms and Conditions pursuant to clause 4. The Provider must promptly notify Medibank of any change to this email address. To register or update an email address, reference should be made to the “Provider” pages of the medibank.com.au and ahm.com.au websites. A Provider should complete the ‘GapCover Application and Change of Details Form’ and submit as instructed on those webpages. Medibank may, acting reasonably, delay the payment to a Provider of all or any amounts otherwise payable pursuant to the GapCover scheme if the Provider has not provided a current email address or if the relevant email address is incapable of receiving communications from Medibank intended for the Provider.
19. **Medicare specialty.** A Provider must be registered with Medicare for any specialty to which a treatment belongs, at the time that a service is provided, if a GapCover scheme claim for benefits is to be paid by Medibank in respect of that treatment.
20. **Other necessary registrations.** A Provider who ceases to hold any relevant registration, licence or other authorisation may be excluded from any publication that Medibank makes or arranges identifying Providers who have participated in the GapCover scheme. Unless all such registrations are held at the time that a service is provided, and unless any conditions associated with such a registration are satisfied in respect of a particular service that is provided, no benefit will be paid by Medibank towards the cost of that service whether the claim for such benefits is made under a GapCover scheme or otherwise.

21. **No disadvantage.** A Provider may be excluded by Medibank from being able to participate in the GapCover scheme if the Provider has treated a member less favourably than she or he treats a patient who is the policyholder of another insurer, unless the Provider can satisfy Medibank, acting reasonably, as to the difference in treatment being appropriate in the particular circumstances.
22. **No solicitation.** Providers agree they will not encourage or suggest to a member to change his or her private health insurance and to become a policyholder of another private health insurer.
23. **Audit.** Medibank may make arrangements with a Provider from time to time in order to audit claims made by the Provider to verify compliance with the GapCover scheme. The Provider will reasonably assist Medibank in the conduct of any such audit. If a Provider ceases to utilise the GapCover scheme, the rights of Medibank to conduct audits and the obligations of the practitioner to reasonably assist in the conduct of such an audit will continue for one year from the date that the last claim made under the GapCover scheme was made. An audit may extend to any or all claims under the GapCover scheme made in the financial year in which the audit is initiated and in the three preceding financial years.
24. **Prostheses.** A Provider who proposes to bill for professional services under the GapCover scheme and who proposes to recommend, as part of the provision of those professional services, a gap permitted prosthesis or a prosthesis that is not listed in the Schedule to the Private Health Insurance (Prostheses) Rules to a Member agrees to discuss with the Member alternative no-gap prostheses and will obtain IFC from the Member to any out-of-pocket expense that the Member may incur in relation to a charge for the selected prosthesis.
25. **Additional publication.** The information that Medibank collects in relation to claims made under the GapCover scheme is used primarily for the payment of benefits on behalf of its Members towards the cost of those treatments. The Provider acknowledges that Medibank may also publish (or cause to be published) information and statistics relating to GapCover scheme claims.