



Guideline for substantiating services provided under rights of private practice at public hospital outpatient departments

What you need to know

A specialist or consultant physician may be asked to substantiate their Medicare billing for a service provided under rights of private practice at a public hospital outpatient department. This guideline outlines what you can do to substantiate that your Medicare billing is compliant.

This guideline is not exhaustive; you can respond to a Medicare compliance audit using any documents that you believe will substantiate the services provided.

We may determine more information is needed and request additional documentation to substantiate that your Medicare billing is compliant.

Public hospitals are funded under an arrangement with the Australian Government to provide free public hospital services to eligible patients.

Public hospital outpatient department services relate to all non-admitted health services, including pathology and diagnostic imaging services but excluding emergency department services.

For a private patient to receive Medicare benefits for services provided at a public hospital outpatient department:

- the patient must give [informed financial](#) consent to be treated as a private patient
- the specialist or consultant physician must be exercising their rights of private practice as per their agreement with the hospital when the service is rendered, and
- the specialist or consultant physician has received a referral that is valid for the purposes of billing specialist MBS consultant items.

It is expected specialist and consultant physicians in public hospitals maintain adequate and contemporaneous records of services rendered. Similarly, adequate and contemporaneous records should be maintained when you provide a referral or request for a private patient.

Documents you may use to substantiate your Medicare billing

To substantiate that your Medicare billing is compliant, you may provide:

- a copy of the referral clearly showing the patient's name, the date of referral and the name/s of the referring practitioner, specialist or consultant physician
- evidence that the patient chose to be treated as a private patient



- an extract from the clinical records showing that you personally rendered that service to that patient e.g. notes in the clinical record made by you, during or within a reasonable time after consultation with the patient
- a copy or extract of a document that verifies your authorisation to exercise your rights of private practice in the public hospital, including outpatient department, to provide the service/s being audited
- any other documents that you consider may substantiate the Medicare claim.

If you need to use a patient's clinical information you can censor any details that aren't relevant. You can also choose to provide the information to one of our medical advisers.

For additional information on referral requirements to specialists or consultant physicians, refer to MBS explanatory note GN6.16 available at [MBS online](#).

Resources

- [Informed financial consent guide](#).