

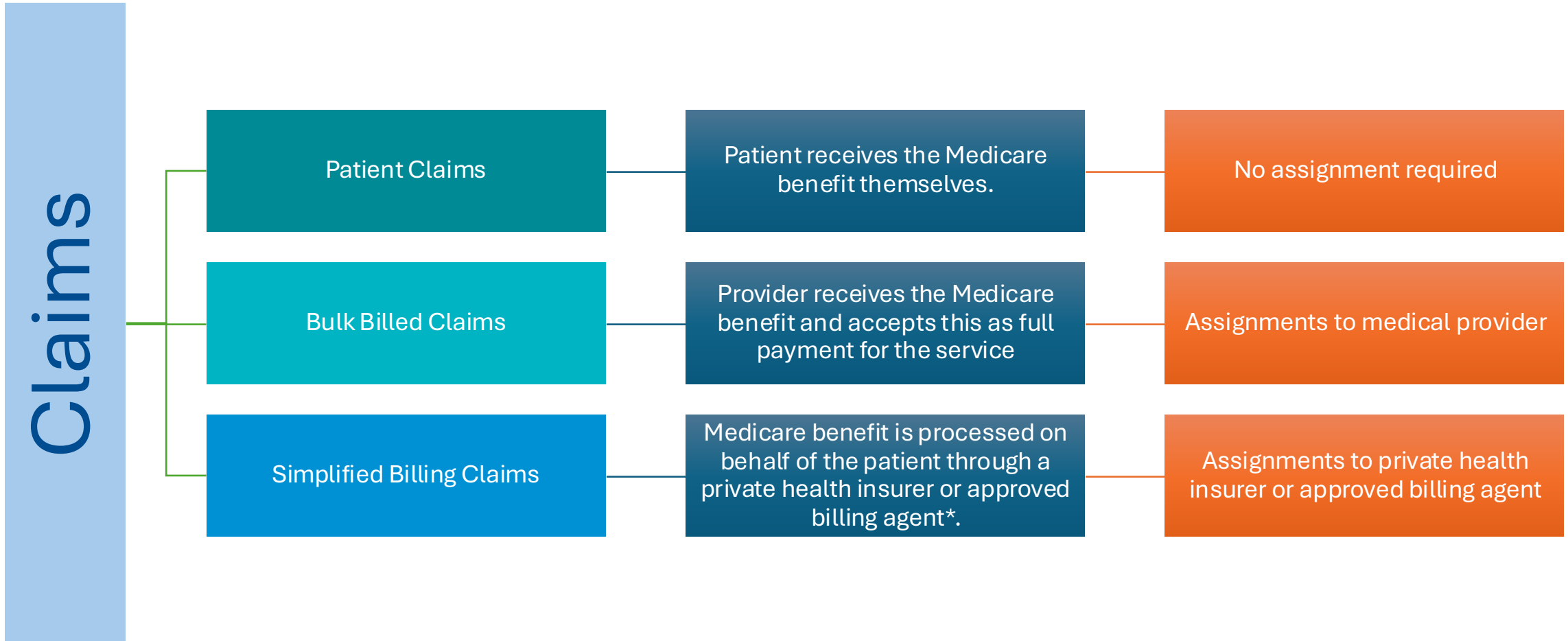
# Assignment of Benefit for Simplified Billing Services

23 June 2026

Industry Information Session



# Types of Medicare Claims



# Assignment of Medicare Benefits (AOB) – what is it?

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The process for a patient to have their Medicare benefit paid to someone else.

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For hospital and hospital-substitute treatment, this is usually to a private health insurer or an approved billing agent.

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The *Health Insurance Act 1973* sets out the legal requirements for this process.

# Overview of legislative changes



***Health Insurance  
Legislation Amendment  
(Assignment of Medicare  
Benefits) Act 2025***  
**(AOB Act 2024)**

***Health Legislation  
Amendment  
(Miscellaneous  
Measures No. 1) Act 2025***  
**(HLA Act 2025)**

***Health Insurance  
Amendment (Assignment  
of Medicare Benefits and  
Other Measures)  
Regulations 2025***  
**(AOB Regulations 2025)**

***Health Insurance  
Amendment (Episodic  
Agreements and  
Simplified Billing  
Assignments)  
Regulations 2026***  
**(AOB Regulations 2026)**

Amends the *Health Insurance Act 1973*

Removes the requirement for an ‘approved form’

Sets out two assignment pathways: ‘implied assignment’ and ‘requested assignment’

Enables regulations to be made for simplified billing assignments

Amends the *Health Insurance Act 1973* and the *AOB Act 2024*

Clarifies who can be the assignor  
Enable patients to also receive a notification from an insurer or billing agent when a Medicare benefit is paid.

Replaces the requirement for mandatory notification to assignors if original assignment request is modified

Amends the *Health Insurance Regulations 2018*

Sets out particulars that must be in a requested assignment and a notification

Sets out record retention periods.

Introduces the requirement for a claims declaration for all simplified billing claims.

Amends the *Health Insurance Regulations 2018* and the *AOB Regulations 2025*

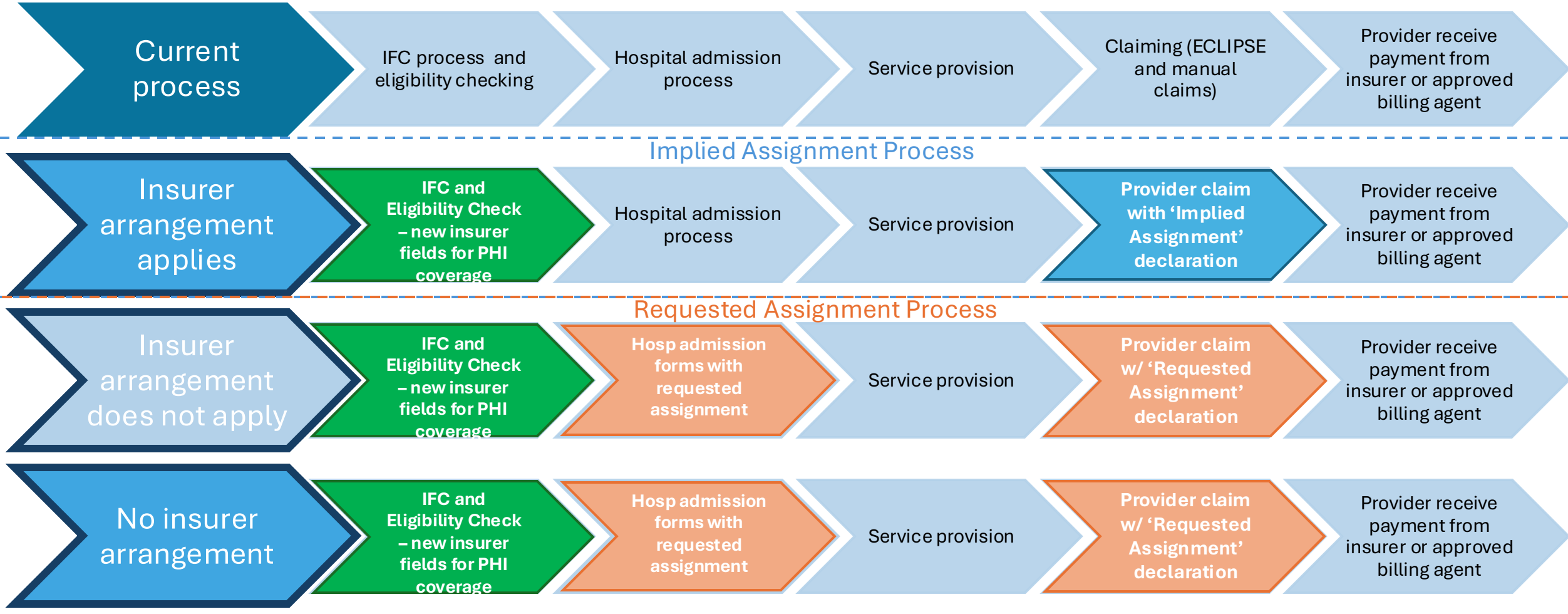
Consequential amendments following changes made by the *HLA Act 2025*

# AOB for Simplified Billing - Checklist

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- ✓ Patient is covered by a private health insurance policy for the service
- ✓ Patient is rendered the Medicare-eligible service
- ✓ Service is provided as part of hospital (i.e., inpatient admission) or hospital-substitute treatment
- ✓ Implied or Requested Assignment requirements are met
- ✓ The medical claim, which includes the AOB claims declaration, is submitted to Medicare

# IFC processes – where does AOB fit in?



These only apply if the medical claim is submitted through simplified billing.

# Changes to Online Eligibility Check Web Services (OEC)

- Two new fields for the insurer response: Product Tier and Additional Clinical Categories.
- For all Plus PHI products, the response will include optional clinical categories covered in addition to the mandatory clinical categories.
- This is intended to support healthcare providers in conducting IFC and AOB.

Sample of OEC insurer response for a Silver Plus product:

- healthFundTable: ...
- tableDescription: ....
- tableName: “Silver Plus Family 100”
- tableScale: “Couple”
- **ProductTier:** SilverPlus
- **Additional Clinical Categories:** Cataracts, Joint replacements, Dialysis for chronic kidney failure, Pregnancy and birth, Assisted reproductive services

# Key questions for providers to determine which assignment pathway applies:

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Am I claiming through simplified billing?

→ No, assignment of benefit for simplified billing does not apply.

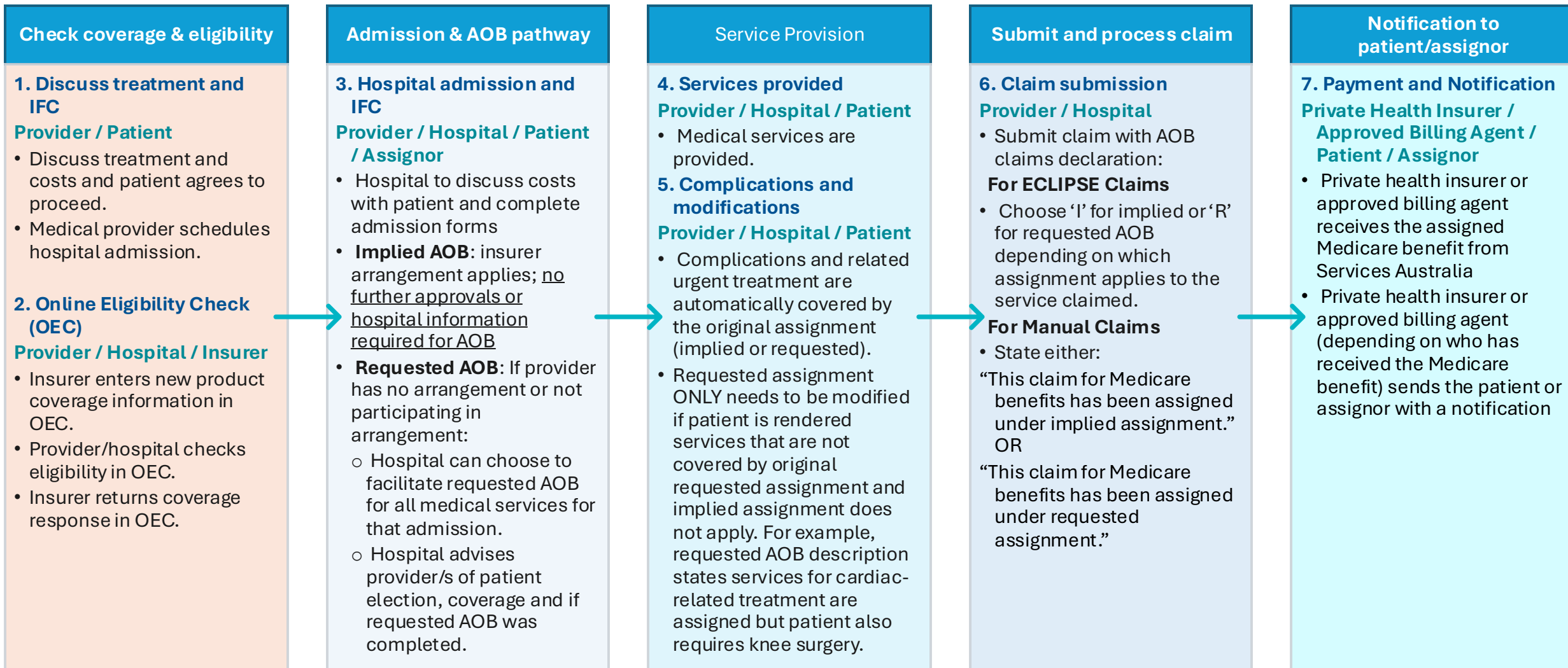
→ Yes, am I using my insurer arrangement to claim for this service?

→ Yes. Implied assignment will apply automatically.

→ No. Requested assignment is required.



# AOB Simplified Billing Process



# Information provided to assignor – Requested assignment

Information	Request facilitated by operator of hospital (Hospital treatment)	Request facilitated by an organisation (Hospital-substitute treatment)	Request facilitated by a health professional (Hospital-substitute treatment)
Patient's name	Patient's name		
Patient's PHI details	Name of patient's private health insurer, and the patient's membership number or PHI identifier		
Who is the request being made to	Name of operator of hospital	Name of organisation	Name of health professional
Date	Date of admission or date of service		
Health professional/s covered by the assignment request	Either: list of health professionals covered by the assignment OR a statement that the assignment covers all health professionals authorised by the hospital operator to provide treatment to the patient	Either: list of health professionals covered by the assignment OR a statement that the assignment covers all health professionals authorised by the organisation to provide treatment to the patient	Name of health professional
Description of hospital/hospital-substitute treatment	Description of hospital treatment	Description of hospital-substitute treatment	Description of hospital-substitute treatment
Who the benefit/s are assigned to	Name of private health insurer OR approved billing agent		
Location where service/s are rendered	Name of hospital, address, OR a statement that it is rendered in a private residence	Address OR a statement that it is rendered in a private residence	Address OR a statement that it is rendered in a private residence



# Information provided to assignor – Requested assignment

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## **Requested assignment wording:**

I assign my right to Medicare benefits to [*name of private health insurer / approved billing agent to whom the benefit/s are to be assigned to*] in respect of any professional services provided [*to me / to name of patient*] as part of hospital treatment relating to [*description of condition/treatment/services*] and including any associated pathology, diagnostic imaging and referred professional services (*if applicable*) provided by or on behalf of [*health service professionals or refer to list of names of health professional/s*] authorised by [*name of responsible provider*] at [*location where the professional service will be/was rendered*] [*during my / name of patient's*] admission commencing [*date of admission*].

## **Hospital treatment description example for a cardiac-related admission:**

*“the investigation and treatment of heart, heart-related conditions and vascular system, including any associated pathology, diagnostic imaging and referred professional services”*

More info at : [Health Insurance Amendment \(Assignment of Medicare Benefits and Other Measures\) Regulations 2025 Explanatory Statement](#)



Australian Government

Department of Health, Disability and Ageing

# Emergency treatment, complications, and additional services

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## **How can an assignment occur in emergency situations?**

- AOB can occur at any time before the medical claim is made. Best practice IFC is before the service or immediately after.

## **How can an assignment occur for complications or unplanned, related treatment?**

- These services are automatically covered by the original assignment for the service it is related to (either implied or requested).

## **When does an assignment need to be modified?**

- Modifications only apply to requested assignments. Implied assignments are automatic if the conditions are met.
- Modification required if:
  - Additional services are not covered by the original assignment request
  - Additional services are not from complications or unplanned, urgent treatment
  - There are changes to the information that the patient has agreed to after they have received the service (e.g., additional services, change to date of admission)



# Simplified Billing Claims – AOB Claims Declaration

Sample of a manual invoice with the claims declaration:

## Medical Gap Cover Claim

Invoice #310326

Provider: Dr Medicare

Provider number: 1234567AB

Date of Service	MBS Item	Fee
26/03/2026	32222	\$390.05
26/03/2026	32229	\$157.30

**This claim for Medicare benefits has been assigned under implied assignment.**

- If the Medicare benefit is to be paid to an insurer or approved billing agent first, claims declaration is required (ECLIPSE and manual claims).
- This is the responsibility of the person making the claim (either the hospital, health professional, organization, or approved billing agent).

Which assignment and declaration?	Implied Assignment	Requested Assignment
Insurer arrangement applies (e.g., doctor is using Gap Cover, MPPA, etc. to claim for the service)	✓	
Insurer arrangement does not apply (e.g., doctor has Gap Cover but is <b>not</b> using it to claim for the service)		✓
Insurer arrangement applies but doctor is also covered by a requested assignment through the hospital (e.g., doctor is using Gap Cover)	✓	
No insurer arrangement available (e.g., doctor does not have a Gap Cover or MPPA)		✓

# For more information:

- [Health Insurance Legislation Amendment \(Assignment of Medicare Benefits\) Act 2024](#)
- [Health Legislation Amendment \(Miscellaneous Measures No. 1\) Act 2025](#)
- [Health Insurance Amendment \(Assignment of Medicare Benefits and Other Measures\) Regulations 2025](#)
- [Health Insurance Amendment \(Episodic Agreements and Simplified Billing Assignments\) Regulations 2026](#)
- [Consultation on Assignment of Medicare Benefits for Simplified Billing Services](#)
- [Modernising the 'Assignment of Benefit' process for Medicare bulk billed services and simplified billing services](#)
- [Improving the Assignment of Benefit Process](#)

## Contact:

For any policy-related questions to the department, please email:

[Assignmentofbenefit@health.gov.au](mailto:Assignmentofbenefit@health.gov.au)

For AOB inquiries to Services Australia (system-related questions), please email:

[Assignmentofbenefit.enquiries@servicesaustralia.gov.au](mailto:Assignmentofbenefit.enquiries@servicesaustralia.gov.au)



Australian Government

Department of Health, Disability and Ageing