

Medicare and your car accident compensation claim

Most people injured in a motor vehicle accident would have received some medical treatment which has been paid by Medicare, whether the fee has been entirely bulk-billed or a “gap” has been met by the injured person.

It is often the case that an injured person would have already received some initial medical treatment for their injuries either before they have decided to make a claim for compensation or before they have received their claim number from the relevant insurer after lodging a claim.

We therefore need to establish whether Medicare has contributed to the cost of any medical treatment that should ordinarily be covered by the relevant insurer. If Medicare has made any contributions, they will be entitled to a reimbursement from the claimant’s (the injured person) settlement funds.

Medicare Claims History Statement

In order to determine any amount owing to Medicare, a request is made to Medicare to provide the claimant with a Claims History Statement which will detail all of the treatments to which Medicare has made contributions on the claimant's behalf since the date of the accident. It will then be determined which treatments out of the list are related to the compensation claim.

The Medicare Claims History Statement will provide a general description of the services provided and the name of the health care professional and the clinic details, so it is generally not difficult to ascertain which treatments are related to the accident. However, in instances where it is difficult to establish which treatments are related to the accident, the claimant may need to consult each health professional listed within the Medicare Claims History Statement so that they can cross check the treatments listed with their medical records.

It is therefore recommended that claimants maintain a diary to track the treatments they have received for their compensation claim, especially if liability is in dispute and the claimant and is required to pay for their own treatment throughout the claim.

The completion of the Medicare Claims History Statement must be completed by the claimant to the best of their knowledge. The claimant must complete a Statutory Declaration, confirming that the Statement has been completed to the best of their knowledge. It is a criminal offence to knowingly provide false information in a signed Statutory Declaration.

Upon receipt of the completed Medicare Claims History Statement, Medicare will generate a Notice of Charge (also referred to as a Notice of Past Benefits), which will detail the amount owing to Medicare. This amount will be incorporated into the claim (that is, it will be added to the amount sought by way of compensation from the insurer). The Notice is valid for six months, and it is often the case that updated Claims History Statements will be required as the claimant's matter progresses.

If there is not a valid Notice of Charge at the time of settlement, 10% will be deducted from the claimant's settlement funds and paid to Medicare to cover the treatment contributions paid by Medicare. Upon receipt of the 10% advance payment by Medicare, Medicare will send out an updated Claims History Statement for the claimant to complete, so that an updated Notice of Charge can be issued. Any balance will be refunded to the claimant, and likewise, any shortfall will be sought from the claimant.

If the claimant does not complete and return the Medicare Claims History Statement by the due date, the claimant will receive a "Deemed" Notice, which means that Medicare has deemed that all of the treatment contributions paid by Medicare are related to the accident. If this occurs, the insurer will not pay for the Medicare component. It is therefore critical that the Medicare Statement is completed correctly and submitted by the due date, to avoid the claimant paying Medicare from their own pocket.

How can Andersons help?

If you have suffered personal injury from a motor vehicle accident, you can contact our team of personal injury lawyers for advice. We offer a free, no obligation first interview, so you really have nothing to lose. You can see our **personal injury lawyers** here or **contact us here**.