

# Going to a Private Hospital?

What you need to know about out-of-pocket costs associated with private hospital admissions



fact sheet



Finding out you need to be admitted to hospital can be a daunting experience, especially when you are uncertain about the expenses you may have to pay. As a member of St.LukesHealth, we want to make this sometimes difficult situation as easy as possible, and this information sheet will explain how.

## What to do before you are admitted

Before you receive treatment in hospital you should first speak to your treating doctor and to us, your health fund. Doing this before your admission will ensure you know what to expect from your hospital stay and can save you from experiencing the shock of out-of-pocket costs.

## What you should ask your doctor:

- What is the expected cost of my treatment?
- Ask for a written quotation that includes the Medicare Benefit Schedule (MBS) item numbers to be used for your treatment
- Will there be any other doctors involved in my treatment, including anaesthetists and assistant surgeons How can I find out what their charges will be?
- Are they willing to participate in the St.Luke's Gap Cover scheme? (This can reduce your out of pocket costs - for more information about Gap Cover see the section titled "What is Gap Cover?").

- Will my surgery require any surgically implanted prosthesis? If yes, ask if the prosthesis attracts a patient gap and if the prosthesis does attract a patient gap, ask the surgeon if there is an option to use a no gap prosthesis.

## What you should ask your admission clerk at the hospital:

- Will I be staying in a private room?
- Will there be additional costs for items such as television, newspapers etc?
- Are there any other out of pocket costs associated with my hospitalisation that I should be aware of? Please note: The hospital should obtain your informed financial consent for any out of pocket costs.
- What are the visiting hours for my ward?
- Will there be additional costs for any guests who may stay at the hospital with me but are not receiving treatment? Also ask if they will be charged for their meals.
- What is my expected discharge date and what time will I be permitted to leave the hospital?

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## What you should ask St.LukesHealth:

- Is the treatment I require covered under my current product?
- Have I served all waiting periods and benefit limitation periods for the treatment required?
- Does my current product have an excess? If yes how much, and how does it apply? (For example, does it apply to overnight treatment and same day treatment and does the excess apply to children on the policy?)
- Is the hospital I am being admitted to contracted with St.LukesHealth? If the hospital is not contracted what impact does that have on my hospital bills?
- What are my expected out-of-pockets? (See the section overleaf "Finding out what you will have to pay")

## Finding out what you will have to pay:

Your specialist and any other medical professionals assisting with your treatment should provide you with written confirmation of what your expected charges will be. This information will enable St.LukesHealth to more accurately inform you what your out-of-pocket costs will be. Any quote must include MBS item numbers. If these numbers are not supplied on the quote, we will be unable to confirm if you have any out-of-pockets costs. Some procedures (like cosmetic surgery) cannot be billed with MBS item numbers as they are not covered by Medicare, which means these services cannot be claimed through either Medicare or St.LukesHealth.

## Who pays your hospital and medical charges?

If you hold private hospital cover, your private health insurance provides cover towards the cost of the hospital portion of your admission. This includes theatre fees and accommodation fees for treatment received in all contracted hospitals within Australia, any fees associated with intensive or coronary care and the cost of approved surgically implanted prostheses involved in your treatment, subject to your level of cover and any waiting periods that may apply.



When you receive a medical service in hospital, Medicare will pay a benefit of 75% of the Medicare Benefits Schedule (MBS) fee and your private hospital cover will pay the remaining 25% of the MBS fee. This means you are fully covered up to the MBS fee. However, doctors can charge above the schedule fee and when they do, the difference between the MBS fee and your doctor's charge is called the 'gap.' If the doctor has charged you more than the scheduled fee, you are responsible for paying the difference unless they charge you under the St.Luke's Gap Cover scheme (see the section titled "What is St.Luke's Gap Cover").

If you have already contacted the fund before your admission you will be well prepared for any expected out-of-pocket costs. Make sure you contact us before any hospital admission to avoid any unexpected surprises!

## How the costs are paid:

Any excess that applies to your hospitalisation is normally payable upon admission. In some circumstances you will be sent an account directly from the hospital after you are discharged, if your admission was unplanned.

The hospital account for your theatre and accommodation fees etc, is sent directly to St.LukesHealth for payment, you will not receive a bill directly from the hospital.

We will send you a benefit statement advising you what St.LukesHealth has paid.

## There are two ways the Medical expenses can be claimed:

1. If your medical providers are participating in St.Luke's Gap Cover, they can forward all accounts directly to us for payment. (for more information see the section titled "What is Gap Cover?")
2. If your specialist and other assisting medical providers are not participating in St.Luke's Gap Cover, they will bill you directly for their services once you have been discharged. In this instance you have two claiming options:

### a) Pay the accounts and claim them yourself

Once you have paid the accounts, take the original accounts and receipts to Medicare who will process the claim and pay you your Medicare entitlement. Medicare will provide you with a Statement of Benefit, which you will need to forward to us. We can then process the claim for the remaining fund benefit and pay the money directly to you. Some specialists may offer a discount for payments made upfront or by a certain date - make sure you read the fine print of any account you receive, as this can be a great way to save money.

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## b) Forward the unpaid accounts to Medicare and then to St.LukesHealth

If you choose not to pay your account first you should send it to Medicare and they will process the claim making the benefit refund payable to the provider. Medicare will send you a Statement of Benefit with the benefit cheque. When you receive this benefit statement you need to forward it to St.LukesHealth and we will process our portion of the claim, drawing another cheque in favour of the provider. You will need to forward both cheques to the provider for payment of the accounts, as well as any out of pocket costs that may apply. For some hospital admissions you will receive several accounts from different medical providers associated with your treatment. For each account you will need to follow the same procedure.

### What is St.Luke's Gap Cover?

St.Luke's Gap Cover is designed to reduce or eliminate the 'gap' between the Medicare Benefits Schedule (MBS) fee and the doctor's charge for your inpatient medical services.

Your surgeon, anaesthetist and other medical professionals involved in your admission, have the option to decide whether they will charge you through the St.Luke's Gap Cover scheme. If your doctor agrees to participate in St.Luke's Gap Cover you will either be fully covered for your in-hospital medical services or your 'gap' will be significantly reduced.

We encourage you to check with your doctors to see if they participate in the St.Luke's Gap Cover arrangement before you commence your hospital treatment.

### What out of pocket costs may I have?

The following is a summary of possible out of pocket costs:

- Surgically implanted prostheses not listed on the Federal Government's approved prostheses list
- The gap on surgically implanted prostheses where the supplier charges above the listed benefit
- Pharmaceuticals and disposable items not covered by St.LukesHealth hospital agreements including discharge medication

- Personal items like TV, phone calls and newspapers when not covered by St.LukesHealth hospital agreements
- Services such as physiotherapy and other general treatment services not covered by St.LukesHealth hospital agreements (you may be eligible to claim these if you hold extras cover with us)
- Out-patient services when not admitted as an inpatient (for example x-rays, ultrasounds, pathology services performed out of hospital). These items may be claimable through Medicare.
- Emergency department services Hospital charges raised for boarders who are staying at the hospital with you, but are not admitted patients receiving treatment.

### Helpful websites

[www.phio.org.au/facts-and-advice/informed-financial-consent.aspx](http://www.phio.org.au/facts-and-advice/informed-financial-consent.aspx)

[www.stlukes.com.au/NewtoStLukesHealth/Thingsyouneedtoknow/Gapcoverexplained.aspx](http://www.stlukes.com.au/NewtoStLukesHealth/Thingsyouneedtoknow/Gapcoverexplained.aspx)

