

# Medicare Safety Net

The Medicare Safety Net provides a higher Medicare rebate to patients when their out-of-pocket costs exceed the threshold of \$447.40 for all Medicare cardholders.

The Medicare Safety Net provides patients with additional financial assistance for out-of-pocket costs for out-of-hospital Medicare funded services. The difference between the doctor's fee and the Medicare rebate is the patient's out-of-pocket cost.

Once a patient's out-of-pocket expenses for medical services reaches the safety net threshold of \$447.40 (as at 1 January 2016), all future Medicare services are paid at 100% of the Medicare Benefits Scheduled fee (not at the 85% Medicare rebate) for the remainder of the calendar year for all Medicare cardholders. For example:

<b>Before Safety Net Threshold</b>	<b>Doctor's Fee</b>	<b>MBS Rebate(at 85% Scheduled Fee)</b>	<b>Out-of-Pocket Cost</b>
Initial specialist consult	\$141.00	\$72.75	\$68.25
<b>After Safety Net Threshold</b>	<b>Doctor's Fee</b>	<b>MBS Rebate(at 100% Scheduled Fee)</b>	<b>Out-of-Pocket Cost</b>
Initial specialist consult	\$141.00	\$85.55	\$55.45

The threshold is indexed annually from 1 January and operates on a calendar year, 1 January to 31 December.