V-INSURANCE GROUP

MEDICAL COVER RELATING TO SPORTS (PERSONAL ACCIDENT) INSURANCE IN AUSTRALIA

It is often confusing what is covered by Sports (Personal Accident) insurance, particularly when it comes to Medicare and Medicare Gap costs.

In short, sports (Personal Accident) insurance in Australia covers Non Medicare Medical expenses.

Examples of Non-Medicare Medical Items	**Examples of Items Covered by Medicare**
Covered by Sports/ Personal Accident Insurance	Not covered by Sports/ Personal Accident Insurance
• Ambulance • Physiotherapist • Dental • Private Hospital Accommodation • Chiropractor • MRI Scans*	• Doctor • Surgeon • Surgeon's assistant • Anesthetist • X-Rays • MRI Scans* • Public Hospitals
Please note: MRI scans are generally claimable through Medicare, however sometimes the referrer and/or provider is not registered with Medicare, and the cost is claimable through Sports/Personal Accident insurance.	

Unfortunately section 126 of the Health act prevents general insurance companies (Sports and Personal Accident Insurers) from providing any cover in regard to medical expenses for which a Medicare benefit is payable. This includes what is known as the Medicare gap.

What is Medicare?

Medicare is an Australian Government program that provides eligible Australian residents with free or low-cost medical and hospital care.

Medicare provides access to:

Free treatment as a public (Medicare) patient in a public hospital

Free or subsidized treatment by practitioners such as Doctors and Specialists.

What's covered by Medicare?

The Medicare benefits Schedule (MBS) lists all treatment and associated rebates relating to Medicare. You can access the MBS at any time via Medicare's website www.medicare.gov.au.

What is the Medicare Gap?

The MBS lists a rebate amount for each Medicare Item.

Example: A short consultation with a Doctor = Medicare rebate of $16.95

However, some consultation are different. In some cases, doctors or specialists may charge more than the MBS amount.

The difference between what you have been charged and the amount listed on the MBS is called the "Medicare Gap".

Example: The Doctor charges you $50.00 for a short consultation. Medicare provides a rebate of $16.95 the MBS). You are out of pocket $29.65 (this in known as the Medicare Gap).

Why doesn't Sports (Personal Accident) Insurance cover Medicare costs?

The Health Insurance Act 1973 (Cth) strictly prohibits any general insurer from covering any item that is listed on the Medicare Benefits Schedule.

So what does that mean?

If your medical or other treatment has a Medicare number, it is not covered by Sport/Personal Accident Insurance.

If your medical or other treatment does not have a Medicare Item Number, you may claim for reimbursement through Sports Insurance. For specific information, please visit www.medicare.gov.au

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How Does Medicare, private health care and sports injury insurance work together?

The table below is a guide only to explain an example of how coverage can work and should not be relied upon to make an accurate assessment of actual costs and procedures to be incurred. These will vary from actual costs.

Example: Two athletes, one with and one without Private Health Insurance, suffer the same injury, require the same treatment and incur the same medical costs.

*Based on 90% private health re-imbursement of surgery incurred costs and 70% of extra's cover on physiotherapy. Sports insurance based on 80% Cover and $50 excess for athletes without private health insurance and $Nil excess for athletes with private health insurance.

Athlete 1 – No Private Health Insurance						
Service	**Fee**	**Medicare Rebate**	**Private Health Refund**	**Sports Insurance Refund**	**Total Re-imbursement**	**Out of pocket**
General Practitioner	-$200	$100	-	-	$100	-$100
Surgeon	-$1,500	$400	-	-	$400	-$1,100
Anesthetist	-$1,200	$400	-	-	$400	-$800
Imagery (MRI scan)	-$850	$300	-	-	$300	-$550
Hospital fee	-$1,000	-	-	$800	$800	-$200
Physiotherapy	-$500	-	-	$400	$400	-$100
Excess			-	-$50	-$50	-$50
Total	**$5,250**	**$1,200**	**$**	**$1,200**	**$2,400**	**-$2,800**

Athlete 2 – With Private Health Insurance						
Service	**Fee**	**Medicare Rebate**	**Private Health Health**	**Sports Insurance Refund**	**Total Re-imbursement**	**Out of pocket**
General Practitioner	-$200	$100	-	-	$100	-$100
Surgeon	-$1,500	$400	$990	-	$1,390	-$110
Anesthetist	-$1,200	$400	$720	-	$1,120	-$80
Imagery (MRI scan)	-$850	$300	$495	-	$795	-$55
Hospital fee	-$1,000	-	$900	$80	$980	-$20
Physiotherapy	-$500	-	$350	$120	$470	-$30
Excess			-		$0	$0
Total	**$5,250**	**$1,200**	**$3,455**	**$200**	**$4,855**	**-$395**

Other Important Notes

- Some Private Health Insurance companies cover the Medicare Gap if you are treated in their suggested hospitals or by their recommended Health professionals.
- The cover for Non-Australian residents and Medicare costs under a Sports/Personal Accident insurance policy will depend on the attitude of the sports insurance company. Most insurers will treat a non-Australian resident the same as an Australian resident and only reimburse costs not covered by Medicare even though the Non Australian claimant is not able to access Medicare.

Summary

The golden rule is that if Medicare pays a benefit on a particular medical expense, as per government legislation, no part of that expense can be paid under the sports (Personal Accident) insurance policy, even though the gap between the expense and the Medicare rebate may be significant.

It is wise for a participant in sport to have Private Health Insurance. The sports insurance policy can be considered a back up to Private Health insurance. Even with the top level of Private Health insurance there can still be a significant gap between the total non-Medicare expenses and the Private Health insurance refund.

Whilst a sports insurance policy cannot cover Medicare gaps it does cover Private Health insurance gaps. A combination of Private Health insurance and sports injury insurance will see non-Medicare medical expenses incurred by members kept to a minimum. Due to legislation, the issue of Medicare gap is one that is impossible to address under sports (Personal Accident) insurance.

Disclaimer: This document is a General Summary on the Medicare Cover provided by Sports (Personal Accident) Insurance in Australia. It should not be taken as Personal Advice.

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