



Improving the integrity of health provider payments for the Department of Veterans' Affairs

This initiative strengthens the integrity of Department of Veterans' Affairs (DVA) health provider payments and helps ensure veterans receive high quality, clinically appropriate services to improve their health and wellbeing. It also helps ensure health provider payments are correct and appropriate, and support DVA's capacity to undertake compliance audits and recovery of debts from providers where needed.

Why is this important?

The Government provides funding of around \$4.1 billion a year for health and wellbeing services for veterans and eligible dependents. By reducing the risks associated with fraud and inappropriate payments for health services, this measure will help ensure health provider payments can be directed to where they are most needed to support the health and wellbeing of DVA clients.

In 2021-22, DVA will undertake a targeted review of its health provider payments to:

- identify services with a high risk of being inappropriately paid (either by error or through fraud) and take steps to mitigate these risks. This could include provider education or making system changes to automate the prevention of payments which do not meet requirements, and
- streamline certain DVA-only medical payments:
 - from 1 July 2021, robotic prostatectomy and optical coherence tomography services can be claimed through the Medicare Benefits Schedule (MBS) rather than through DVA only items. This ensures DVA arrangements align with the MBS and that DVA clients can still access these services with no out-of-pocket payments; and
 - from 1 September 2021, exercise physiology services will be treated in the same way as other musculoskeletal services in terms of same day treatment, so that these services cannot be provided on the same day as another musculoskeletal service (physiotherapy, osteopathy and chiropractic). This ensures DVA clients receive clinically effective treatment for musculoskeletal conditions.

From 1 July 2022, new legislation is planned to strengthen DVA's capacity to reduce non-compliant payments and improve its ability to recover any debts from health providers. This will standardise compliance arrangements for DVA health services with those that apply to services provided under the MBS and Pharmaceutical Benefits Scheme (PBS), making it easier for providers to meet their obligations when treating DVA clients.

Who will benefit?

All DVA clients will benefit as prevention of non-compliance and improved debt recovery from health providers enables funds to be reinvested into critical support programs and services.

All health providers who treat DVA clients will benefit from compliance arrangements that are consistent with their MBS and/or PBS obligations.

Date of effect?

The review of DVA health services, including certain changes to payment rules, will be undertaken in 2021-22.



Subject to the passage of legislation, strengthened compliance arrangements will commence from 1 July 2022.

How much will this cost?

This measure will achieve efficiencies of \$29.4 million over four years which will be reinvested in services and supports for DVA clients.

