

Derived item fees

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Some Medicare items have derived items with a fee that is a percentage of the original fee. These items are used in specific circumstances, such as an additional patient being seen or an on-site visit to a hospital, aged care facility or home visit.

Zedmed also supports percentage adjustments to approved fees for Health Funds.

The Medicare items with derived items are:

- Professional Attendances at an Institution: 4, 24, 37, 47, 58, 59, 60, 65, 5003, 5023, 5043, 5063, 5220, 5223, 5227, 5228
- Attendances at a Residential Aged Care Facility: 5010, 5028, 5049, 5067, 5260, 5263, 5265, 5267
- Others: 294

Adding a Medicare-derived item fee

To add a derived fee for a Medicare item:

1. Complete the steps in the [Update existing Medicare fees](#) guide.
2. Go to Zedmed's **Management** tab.
3. Select **Practice Setup** then **Items > Item Details**.

The **Find Item** screen will open.

4. Enter the item number into the field provided and press enter.

The **Item Selector** screen will open.

5. Double-click the item.

It will open **Item Details** at the **Standard** tab.

6. Select the **Details** tab.

A derived item's fee can be calculated by:

- Including the associated item's fee in the calculation.
- Using only the values provided in the calculation.

Including the associated item number

- a) Note the following information: the derived item number, plus \$ value and \$ value per patient.
- b) Select the **Standard** tab.

The screenshot shows the 'Item Details' window with the 'Assistant Derived Fees' tab selected. The 'Full Description' field contains the following text: "The fee for **Item 23** plus **\$27.40** divided by the number of patients seen, up to a maximum of six patients. For seven or more patients - the fee for item 23 plus **\$2.15** per patient. Professional attendance by a general practitioner (other than attendance at consulting rooms or a residential aged care facility or a service to which another item in the table applies), lasting less than 20 minutes and including any of the following that are clinically relevant: (a) taking a patient history; (b) performing a clinical examination; (c) arranging any necessary investigation; (d) implementing a management plan; (e) providing appropriate preventive health care; for one or more health-related issues, with appropriate documentation-an attendance on one or more patients at one place on one occasion-each patient". The 'MC Item #' field is empty.

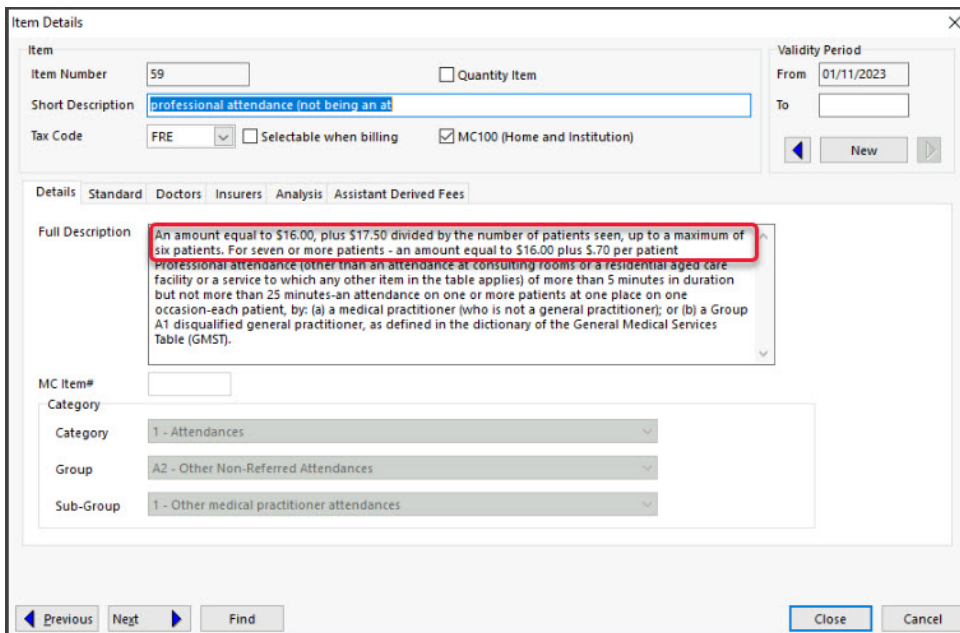
- c) In the **Derivation Item** field, enter the item number.
 - d) In the **Add-On for Multiples** field, add the \$ value.
 - e) In the **Add-On for 7+**, enter the plus \$ value per patient.
 - f) Select the **Get Derivation Item** button.
- The fee will be calculated and added to the **Schedule** field.

The screenshot shows the 'Item Details' window with the 'Standard' tab selected. The 'MA Fees' section shows a calculated 'Schedule (MC/MC100)' of \$39.10. The 'Derivation Item #' is 23, 'Add-On for Multiples' is \$27.40, and 'Add-On for 7+' is \$2.15. The 'Get Derivation Item' button is highlighted. The 'Private/3rd Party Fees' section shows a table with columns for 'Value' and 'Discount'.

Private/3rd Party Fees	Value	Discount
P1		
P2		
P3		
Work Cover		
Motor Vehicle		
Legal/Hospital		

Using only the values provided

- a) Note the values used for calculating the derived item fee.
- b) Select the **Standard** tab.



Item Details

Item Number: 59 Quantity Item

Short Description: professional attendance (not being an at

Tax Code: FRE Selectable when billing MC100 (Home and Institution)

Validity Period: From: 01/11/2023 To:

Details Standard Doctors Insurers Analysis Assistant Derived Fees

Full Description: An amount equal to \$16.00, plus \$17.50 divided by the number of patients seen, up to a maximum of six patients. For seven or more patients - an amount equal to \$16.00 plus \$5.70 per patient. Professional attendance (other than an attendance at consulting rooms or a residential aged care facility or a service to which any other item in the table applies) of more than 5 minutes in duration but not more than 25 minutes-an attendance on one or more patients at one place on one occasion-each patient, by: (a) a medical practitioner (who is not a general practitioner); or (b) a Group A1 disqualified general practitioner, as defined in the dictionary of the General Medical Services Table (GMST).

MC Item#:

Category: 1 - Attendances

Group: A2 - Other Non-Referred Attendances

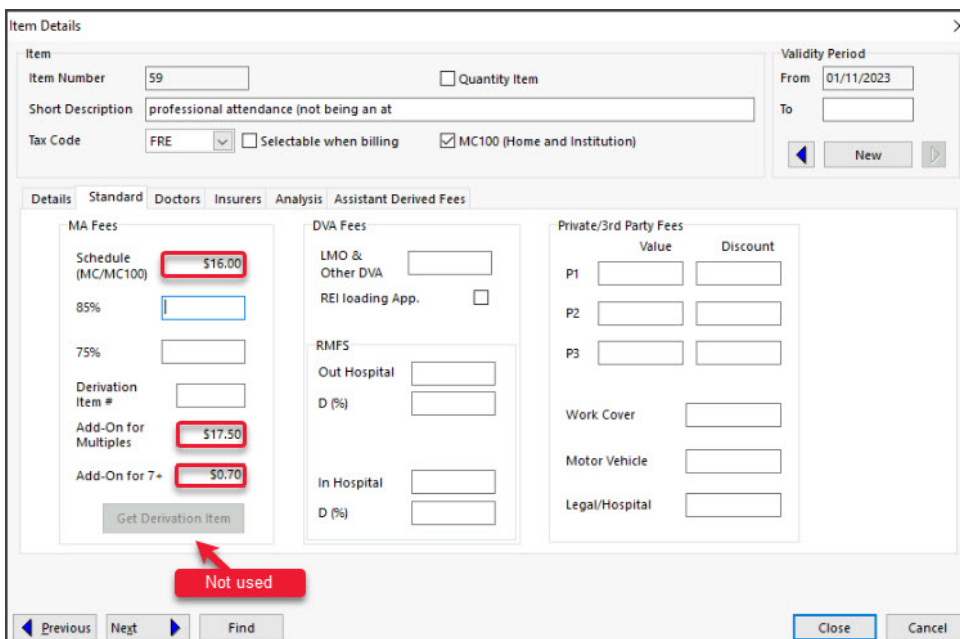
Sub-Group: 1 - Other medical practitioner attendances

Previous Next Find Close Cancel

c) In the **Schedule** field, enter the base amount's value.

d) In the **Add-On for Multiples** field, add the value to be divided by the number of patients.

e) In the **Add-On for 7+**, enter the amount per patient.



Item Details

Item Number: 59 Quantity Item

Short Description: professional attendance (not being an at

Tax Code: FRE Selectable when billing MC100 (Home and Institution)

Validity Period: From: 01/11/2023 To:

Details Standard Doctors Insurers Analysis Assistant Derived Fees

MA Fees

Schedule (MC/MC100): \$16.00

85%:

75%:

Derivation Item #:

Add-On for Multiples: \$17.50

Add-On for 7+: \$0.70

Get Derivation Item

DVA Fees

LMO & Other DVA:

REI Loading App.:

RMFS

Out Hospital:

D (%):

In Hospital:

D (%):

Private/3rd Party Fees

	Value	Discount
P1	<input type="text"/>	<input type="text"/>
P2	<input type="text"/>	<input type="text"/>
P3	<input type="text"/>	<input type="text"/>
Work Cover	<input type="text"/>	
Motor Vehicle	<input type="text"/>	
Legal/Hospital	<input type="text"/>	

Not used

Previous Next Find Close Cancel

These fees will be applied to the invoice, Note, the total may be further modified by the % applied to the schedule.

7. Select **Close** to save and exit.

When you raise an invoice for the derived item, a dollar amount will be applied and you will be prompted to enter the number of patients seen in the invoice **Properties** screen.

An invoice is to be **raised for each patient** that was seen, each time indicating the same number of patients in the **Properties**.

Updating a Medicare-derived item fee

MBS Fee File updates automatically update the Fees for derived items, but they do not update the Add-on for Multiples and Add-on for 7+ fields. These changes must be made manually after the MBS File update has been completed.

To update a derived fee's calculations:

1. Go to Zedmed's **Management** tab.
2. Select **Practice Setup** then **Items > Item Details**.

The **Find Item** screen will open.
3. Enter the item number into the field provided and press enter.

The **Item Selector** screen will open.
4. Double-click the item.

It will open **Item Details** at the **Standard** tab.
5. Enter any new value into the **Add-On for multiples** field.
6. Enter any new value into the **Add-On for 7+** field.
7. Select **Get Derivation Item** to update the Medicare Australia values.

Adding an insurance-derived item fee

This feature will be available in Zedmed v35.8.1 and later, and automatically calculates derived item fees for Health Funds by applying a % adjustment to the standard fee of approved MBS Item numbers.

Note: An incorrect or invalid application of the override will result in the claim being rejected.

How the override applies to the selected fee type:

- If the override is not selected (or its field is empty), the insurer's **Value** will be used (the value from that fund's Fees File upload).
- If the override is used (ticked), a % modification will be applied to the standard Medicare fee for that item, and that will be the value used in the invoice.

To add a derived fee for a health fund:

1. Go to Zedmed's **Management** tab.
2. Select **Practice Setup** then **Items > Item Details**.

The **Find Item** screen will open.
3. Enter the item number into the field provided and press enter.

The **Item Selector** screen will open.
4. Double-click the item.

The **Item Details** screen will open.
5. Select the **Insurance** tab.
6. Tick the box next to the **Override** field for the fee type.
7. Enter the % adjustment into the **Override with % of MC Fee** field.

This will apply that adjustment to the Medicare item. For example, if the Medicare fee is \$100 and the override adjustment is 120% - when that item is added to an invoice, the value will be \$120.

8. Select **Close** to save the change.

We recommend testing that the item number shows the expected value when billing.

Adding MBS item 294

Support for Medical Benefits Schedule item 294 will be available in Zedmed v35.8.1 and later.

MBS item 294 has a value equal to 50% of the value of the preceding item in the invoice. Item 294 can only be applied to qualifying items if the required criteria are met, as described in the [MBS guidance](#).

To add 294 to an invoice, add the **qualifying item first**, then add Item 294. You will see its value is 50% of the preceding item.

If any modifications are made to the qualifying item, the value of 294 will not automatically update. Therefore, the qualifying item and 294 need to be removed and readded if any changes are made.

Services											
Date	Item#	Description	Fee	Tax	Unit Value	Qty	Amount	Notes	Estim. Refund	Gap	
28/02/2023			MC85	FRE	0.00	1	0.00		0.00	0.00	
28/02/2023	291	Consultant psychiatrist, referred patient	MC85	FRE	384.80	1	384.80		0	0	
28/02/2023	294	short desc	MC85	FRE	192.40	1	192.40		0	0	

Added after 291

Multiple operation rule (MOR)

Multiple operation billing applies if you bill 2 or more MBS items from Category 3, Group T8 for surgical services performed on a patient on one occasion.

Zedmed will automatically calculate and apply the discounts for you during billing.

The MOR is applied as defined by Services Australia:

- 100% of the fee for the item with the highest schedule fee
- plus 50% of the fee for the item with the next highest schedule fee
- plus 25% of the fee for any further surgical items.

To learn more, see the [MSB Online Multiple Operation Rule page](#).
