

Babies - Charges in Respect of Newborns

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Functional Sub group Corporate Administration - Fees

Summary Specifies when charges can be raised in respect to newly born babies.

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Applies to Area Health Services/Chief Executive Governed Statutory Health Corporation, Board Governed Statutory Health Corporations, Affiliated Health Organisations, Divisions of General Practice, NSW Dept of Health, Public Health Units, Public Hospitals

Distributed to Public Health System, Divisions of General Practice, NSW Department of Health, Public Health Units, Public Hospitals

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Compliance with this policy directive is mandatory.

CIRCULAR

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Contact	Mr S Cameron (02) 9391 9593 Structural and Funding Policy

CHARGES IN RESPECT OF NEWBORN BABIES

This circular replaces 97/19.

The following information concerning fees and charging policy apply in the treatment of newly born babies. Changes have been made to billing arrangements for unqualified babies.

Qualified Babies (ie: those babies which meet the criteria listed under Section 3(2) of the Health Insurance Act 1973)

- **Accommodation Charges:** Should be raised in accordance with the election made in respect of the baby. If no election is made, the baby should be non-chargeable until such time as an election is made on behalf of the baby. Charges should only be raised if the baby is classified as chargeable.
- **Medical / Diagnostic Charges:** should be raised against the parents if the baby is classified as chargeable. If the baby is classified as non-chargeable, no charges should be raised against the parents.
- **Statistics:** Bed days to be recorded as inpatient bed days, both occupied and accounting.

Unqualified Babies

- **Accommodation Charges:** Cannot be raised as the baby should be classified as 'non-chargeable' whilst unqualified. However, if a baby becomes qualified for any part of the period of stay, the rules relating to qualified babies apply but only for the period of qualification.
- **Medical / Diagnostic Charges:** Cannot be raised for services provided by a hospital appointed doctor or where a service provided by a private practitioner has been organised by the hospital as part of the overall service to an unqualified baby. However where a parent/guardian requests to have an unqualified baby examined by a private medical practitioner of their choice, the parent/guardian can be billed for these services. A Medicare rebate of 85% of the scheduled MBS fee then applies. The Commonwealth and the Health Insurance Commission (HIC) regard these services as being provided to a privately referred non-inpatient as an unqualified baby and NOT as an inpatient service for HIC purposes.

Distributed in accordance with circular list(s):

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- *In this situation it should be made clear to the parent/guardian requesting the service that it will not be provided as part of the overall hospital service but will in fact be a private contractual arrangement between the parent/guardian and the medical practitioner. When claiming against Medicare, the parent/guardian should be advised that the service was not provided as and cannot be claimed as an "In-hospital service" as per Section 3 of the current Medicare claim form.*
- Statistics: Bed days should be recorded as "unqualified baby bed days" for occupied statistics and non-charge bed days for accounting.

Michael Reid
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