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Dear Ms Owens,

## GENERAL PRACTICE COMPLIANCE COSTS - SUBMISSION

I am writing to you in response to your issues paper 29 July 2002 seeking a submission in relation to General Practice compliance costs. I apologise for the delay in responding.

Please find attached submission covering programs administered by the Department and Centrelink. I welcome any further discussion of the issues raised.

If you require further information please contact Jolanta Willington on 02 0244 5776.

Jackie Wilson  
Assistant Secretary  
Office of Disability  
20 September 2002

**Family and Community Services (FaCS) submission to  
Productivity Commission study on  
General Practice compliance costs**

**September 2002**

# **FaCS submission to Productivity Commission study on General Practice compliance costs**

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# 1. INTRODUCTION

## 1.1 About the Department of Family and Community Services

The Department of Family and Community Services (FaCS) is responsible for implementing the Government's income support policies for families, working age people and those who are retired, and delivering services for people with disabilities, families with children, community support, family relationships and welfare housing within the relevant legislative framework.

The Department focuses on the following three social policy outcomes:

- Stronger Families – recognising the contribution of families to the overall health and well-being of individuals and society;
- Stronger Communities – building on the capabilities of communities; and
- Economic and Social Participation – maximising the engagement of all Australians in society.

The Department administers 30 individual income support payments and family assistance payments. Total expenditure on these payments is expected to be \$55.6 billion in 2002-2003 - around 35% of Commonwealth Budget spending, with an estimated 4.4 million individuals being the direct beneficiaries of the portfolio's income support payments.

Expenditure in 2002-2003 for Disability Support Pension (DSP) is expected to be around 12% (\$6.9b), Newstart Allowance (NSA) around 10% (\$5.4b) and support for Carers around 2.7% (\$1.5b) of the total income support budget. As at March 2002 there were around 653,000 people in receipt of DSP, 595,000 in receipt of NSA, 250,000 in receipt of Carer Allowance and 65,100 in receipt of Carer Payment.

Centrelink is responsible for delivering FaCS' income support programs through the provision of information, products and services to the Australian community.

## **2. INFORMATION REQUIREMENTS FOR INCOME SUPPORT**

### **2.1 Overview**

The collection of medical information from customers is generally the first step towards the determination of medical eligibility for a range of disability and carer social security payments (whether at claim or review). These payments include Disability Support Pension, Sickness Allowance, Carer Payment and Carer Allowance. An outline of the purpose of disability and carer income support payments can be found at **Attachment 1**.

It has always been a requirement that current medical information be collected so that a customer is able to present the most up-to-date evidence in support of their claim. The most common method of collecting this medical information from a person is via the Treating Doctor's Report (TDR) or Centrelink Medical Certificate. Customers are also encouraged to provide any other medical information they may have to support their claim. Information on these forms and how the information provided is used can be found at **Attachment 2**.

In short, the TDR and Centrelink Medical Certificate provide a standard format for the collection of medical information that is specific to each particular payment. This information is used to decide whether:

- A person clearly meets the medical eligibility criteria for payment;
- Additional information, such as a psychologist's report is required; and/or
- An independent assessment is required.

It is expected that the TDR or Centrelink Medical Certificate will be completed as part of a medical consultation and a Medicare rebate is claimable for this purpose. Currently GPs are able to claim a rebate for completing TDRs and Centrelink Medical Certificates under Medicare Benefits Schedule items 23B and 36C.

## 2.2 Legislative / Regulatory requirements

People claiming social security payments are responsible for providing a range of information to Centrelink to support their claim. GPs are able to assist their patients in the claim process by providing details regarding their patient's medical conditions. Centrelink regularly review the content of all medical forms, and this is usually conducted in consultation with doctors and their representative organisations.

### Disability Support Pension

This includes a completed claim form, filled in by the customer, and a completed TDR, filled in by the customer's treating doctor.

Qualification for DSP is set out in the *Social Security Act 1991* (the Act), which requires establishing that the person's medical condition attracts 20 points or more under the Impairment Tables (which are part of the Act). Impairment ratings can only be assigned where the condition is permanent, fully diagnosed, treated and stabilised.

There is no obligation for treating doctors to complete a TDR, however the TDR is the primary document provided by customers in support of their claim and the customer's doctor is best placed to provide information regarding their medical condition(s) and whether they are diagnosed, treated and stabilised. Around 131,000 TDRs were provided for DSP new claims in 2001-2002.

### Sickness Allowance

This includes a completed claim form, filled in by the customer, and a medical certificate. The *Social Security Admin Act 1999* states that claims for Sickness Allowance must be supported by a medical certificate. Information on the medical certificate is used by Centrelink to determine whether a customer has an illness, injury or disability that temporarily affects their ability to work.

### Newstart/Youth Allowance

Primarily a medical certificate is required in cases where an illness or injury may affect the customer's ability to look for work. The *Social Security Act 1991* states that customers need to be able to show that they are unable to look for work or study because of their temporary incapacity, this is why they seek a medical certificate from their treating doctor. The medical certificate is used by Centrelink to assess temporary activity test exemptions.

### Carer Allowance and Carer Payment

The Adult Disability Assessment Determination requires the medical questionnaire to be completed by a select group of health professionals of which the GP is one. The Child Disability Assessment Determination requires the medical questionnaire to be completed by the child's treating doctor.

While the legislation does not specify that a GP should complete the Carer Payment (child) medical report, the nature of the questions required medical knowledge and as such the form requests that it be completed by the child's treating doctor.

### **3. RECENT IMPROVEMENTS / PROPOSALS**

#### **3.1 Working Group on Quality Assurance and the TDR (the working group)**

The Department has been working actively to improve work processes and the quality of information that is collected from treating doctors. In 2000, the Minister for Family and Community Services agreed to form a working group with representatives from Centrelink, Australian Medical Association (AMA), Royal Australian College of General Practitioners (RACGP) and Department Health and Ageing, that focused on quality assurance issues relating to medical assessment forms, in particular TDRs, used in the determination of social security entitlements.

The terms of reference of the working group required the group to examine the goals of the TDR and the role of doctors; explore options to streamline the medical assessment process; and consider possible quality assurance mechanisms.

Recommendations and findings of the working group have been used to inform the *Better Assessment and Early Intervention* measure due to be implemented 20 September 2002, and improve the TDR with a view to streamlining processes while obtaining high quality information. The Department sought input and comments from the AMA, RACGP and the Australian Division of General Practice during the development of this measure.

#### **3.2 Better Assessment and Early Intervention**

The Better Assessment and Early Intervention measure, announced as part of the *Australians Working Together (AWT)* package in the 2001-2002 Federal Budget, focuses on the better assessment of work capacity for people with disabilities and those who are temporarily incapacitated and are unable to look for work. It also aims to improve on the early identification of interventions, such as rehabilitation and employment assistance that may help customers to improve their work capacity.

New assessment arrangements will apply to Disability Support Pension claimants and customers and Newstart/Youth Allowance claimants and customers who lodge a medical certificate because of an illness or injury. From 20 September external medical and work capacity assessors will be used to provide expert advice to Centrelink in this area. Information provided by GPs on the new TDR and Medical Certificate will help Centrelink to determine income support eligibility, level of work capacity, potential for employment and suitable interventions. Changes to TDRs and assessment procedures are set out below.

#### **3.3 Extension of time for lodging DSP TDR**

As a result of issues raised during the course of the working group, changes were made to the length of time that DSP customers undergoing medical reviews were allowed to obtain reports from the treating doctors was extended from 21 days to 3 months. This change gave DSP customers greater flexibility, and allowed them to better schedule appointment times with their treating doctor for the completion of

forms. Extension of time for lodgement of DSP review TDRs occurred in September 2000.

### **3.4 Removal of work ability questions from DSP TDR**

The working group recommended that treating doctors cease to answer detailed work ability questions on the TDR and focus on answering questions about a person's medical condition (diagnosis, clinical features and treatment). Work ability questions were removed from the TDR review form (SU012R) in June 2000.

Work ability questions will be removed from the new claim TDR in September 2002 as part of the Better Assessment and Early Intervention measure. The TDR will no longer ask the doctor detailed questions about whether the person can work or details on how the person's impairment affects core work abilities, however doctors may provide this information if they wish to do so.

### **3.5 Simplify and improve the medical part of the DSP TDR**

The working group noted that often there was a lack of transparency in questions contained in the TDR, and that the complexity of the forms made them difficult to complete. In June 2000 interim changes were made to the format of the TDR in response to issues raised at the working group. Consultations with users indicated that the revised form was an improvement on the previous form.

Questions in the new TDR (to be introduced from 20 September) have been simplified, and aim to assist GPs to provide better quality information. The developed TDR focuses more on:

- diagnosis;
- clinical features and symptoms;
- treatment; and
- stability.

### **3.6 Improvements Centrelink Medical Certificate**

Under the Better Assessment and Early Intervention measure, the focus will move from what the customer cannot do to what they can do. To support this significant change of focus, the Centrelink Medical Certificate has been improved to gather information regarding a person's temporary incapacity, and assist Centrelink in assessing activity test exemptions. Treating Doctors will be asked to provide a diagnosis, prognosis and information on symptoms for up to three conditions and treatment details.

Changes to the Centrelink Medical Certificate will mean that Centrelink will be able to make a better assessment of the customer's capacity when a medical certificate which provides better information is presented.



### **3.7 Reduction in the number of medical reviews (TDRs) for Newstart/Youth Allowance**

Generally, NSA/YA customers are expected to be actively looking for work. Customers who have a temporary incapacity may seek an exemption from looking for work. For Centrelink to consider this type of exemption, medical evidence must be provided detailing the customer's incapacity for work. This is usually in the form of a Centrelink Medical Certificate.

Customers who have been exempt for longer periods are required to provide a more details in the form of a TDR after 40 and 92 weeks of being exempt from looking for work due to their medical condition.

With the improved Centrelink Medical Certificate there will no longer be a requirement for NSA/YA customers to provide a TDR at review points 40 and 92 weeks from 20 September 2002. This will mean a reduction in around 67,100 TDRs that will no longer need to be provided by GPs.

### **3.8 Reduction in the number of TDRs required for Disability Support Pension**

Generally customers claiming DSP must provide a report from their treating doctor in support of their claim. However, as a result of the working group and the changes made as a result of the Better Assessment and Early Intervention measure DSP policy guidelines have been revised to recognise conditions / situations where other medical evidence may be used to reach a decision about eligibility rather than requiring a GP to complete a TDR.

A treating doctor's report is not required where sufficient information is available from other sources for situations where:

- Customers with an intellectual disability who have attended a special school, and are able to provide a report from their school which indicates their IQ, capacity for independent living and any other issues that may impact on their work ability;
- Customers who are blind and do not have any other medical conditions are able to provide a report from an Ophthalmologist; and
- A child assessed as being a profoundly disabled child whose carer was being paid Carer Payment up to the time the child turns 16.

DSP policy guidelines will continue to be revised as situations are identified where it is considered that a TDR completed by a GP would no longer be required.

### 3.9 GP information strategy

In line with the working group's discussion on the transparency of questions in TDRs, funding has been provided as part of the 2001-2002 Federal Budget to deliver a GP information strategy aimed at providing better information to doctors.

It is recognised that there is a need to develop efficient methods of disseminating information to GPs, which will help improve their understanding of forms and processes within Centrelink in particular how it impacts upon their patients, and the quality of information required. Centrelink have contracted GP Education Australia Ltd to assist in the identification of strategies to best deliver information to doctors. The information strategy will include:

- **Centrelink writing** to all **GPs** advising them of the forthcoming changes;
- **Information Kit** that contains information about the changes, what it means for doctors and patients, as well as explanations regarding the purpose and meaning of questions on the TDR and Centrelink medical certificate;
- **GP Helpline** which will have a dedicated helpline and email address to answer questions about the new forms and processes; and
- An **electronic version** of the Centrelink **medical certificate** will be available free of charge on request. An electronic version of the TDR will also be made available.

## 4. CONCLUSION

FaCS and Centrelink are committed to explore whether medical information requirements can be met in other ways, and thus reduce the number of TDRs that need to be completed by general practitioners. Many improvements have been made and further changes are being considered particularly in situations where:

- a person may be transferring from one income support payment to another; or
- a person needs to complete multiple forms to test eligibility for a number of payments.

We are also examining where the existing review regime for disability and carer payments could be changed to ease the requirements on customers and their treating doctors.

## **Payment Types and Program Rationale**

### **Disability Support Pension**

Disability Support Pension is a means-tested income support payment for people with disabilities who, due to their incapacity are unable to work 30 hours a week or more at award wages, and the person is unable to be retrained or work within a two-year period.

### **Sickness Allowance**

Sickness Allowance is a means-tested income support payment for people aged over 21 and under Age Pension age, who are temporarily incapacitated for work or study due to an illness and have a job or study to return to.

### **Mobility Allowance**

Mobility Allowance is a non-means tested income supplement to assist people who, because of their disability cannot use public transport without substantial assistance either permanently or for an extended period.

### **Newstart Allowance**

Newstart Allowance is a means-tested payment for unemployed people aged 21 years and over. In return for financial support, unemployed people are expected to demonstrate that they are actively looking for suitable work. This is called the activity test. A customer who is sick (temporarily incapacitated for work) can seek an exemption from the activity test.

### **Youth Allowance**

Youth Allowance is a means-tested payment for young people between the ages of 16 – 25, aimed at providing support for young people who are studying, training, seeking employment or temporarily unable to work. A customer who is sick (temporarily incapacitated for work or study) can seek an exemption from the activity test.

### **Carer Payment**

Carer Payment is an income support payment for carers who, because of the demands on their caring role, are unable to support themselves through full participation in the workforce.

### **Carer Allowance**

Carer Allowance is a payment for parents or carers of children and adults with a disability or chronic medical condition. The payment of Carer Allowance is non-means tested and is non-taxable.

## **Forms and use of information provided**

### **TDR New Claim ( SA012) and DSP Review TDR (SA012R)**

The TDR may be used to determine payment eligibility and also helps Centrelink determine whether customers may benefit from vocational rehabilitation or training. The primary use of the TDR is in the initial determination of eligibility for Disability Support Pension, Sickness Allowance, Newstart Allowance and Youth Allowance.

DSP customers have medical reviews at regular intervals either on 2 or 5 yearly cycles to ensure that pensioners continue to meet eligibility criteria. Medical reviews are conducted on the grounds that some medical conditions improve and some customers have consequent improvement in their capacity to work over time. The review TDR is used for this purpose.

### **Sickness Allowance Review (SU020)**

The review form is used to determine continuing eligibility for Sickness Allowance at weeks 12, 40, 92, 120 and 16 weekly intervals thereafter. As Sickness Allowance is paid in respect of temporary illnesses, injuries or disabilities, information on this form is used to help determine whether payment should continue.

### **Carer Allowance (SA333), Carer Payment (SA333) MR, Carer Payment / Carer Allowance Health Professionals Report (SA332(a))**

The forms used to assess eligibility for Carer Allowance and Carer Payment (adult) are based on the Child Disability Assessment Tool (CDAT) and Adult Disability Assessment Tool (ADAT). Both tools are simple and objective and are designed to provide equal access to the payments by carers of people with similar levels of disability, even where the cause and type of disability differ. The eligibility criteria for Carer Payment (child) are stringent and focus on the high level of care provided by parents and other carers to maintain comfort, sustain life, or attend to a bodily function that a child with profound disabilities cannot manage by themselves. The criteria are not targeted at particular medical conditions. The ADAT and CDAT require diagnosis and prognosis of a person's medical condition.

The former Minister for FaCS Senator Newman gave an undertaking that the ADAT be reviewed after 12 months of operation. The ADAT review involved extensive consultations with individuals, community organisations, peak bodies and a group of medical experts. The review suggested some minor changes to improve the efficiency of the ADAT and concluded that the ADAT met its objectives.

### **Medical Certificate (SU415)**

A medical certificate is required in cases where an illness or injury may affect the customer's ability to work for a period of less than 2 years. The medical certificate can be used for the determination of claims for Sickness Allowance, Newstart/Youth Allowance (for temporary exemptions from the activity test), and are accepted for periods up to 13 weeks at a time.

**Mobility Allowance – Medical Report (MA002)**

The information collected on this form is used to determine eligibility for Mobility Allowance, an income and assets test free payment to people, who because of physical or mental disability, cannot use public transport without substantial assistance either permanently or for an extended period. Medical reviews occur only where the disability is considered temporary.