

Willis: Understanding the Australian Health Care System, 3rd edition

Chapter 02: The public health sector and Medicare

Test Bank

MULTIPLE CHOICE

1. The Australian public health insurance scheme Medicare funds which of the following health care services?

- a. Visits to general practitioners
- b. Medical treatment received in a private hospital
- c. Visits to specialist medical practitioners
- d. All of the above

ANS: d

Medicare provides rebates for attendances at general practitioners and specialist medical practitioners (the amounts are set out in the Medicare Benefits Schedule) and funds 75% of the cost of medical treatment provided in a private hospital.

REF: p. 27

2. The major principle underpinning access to the Australian health care system is:

- a. co-payments
- b. universalism
- c. Medicare
- d. activity-based funding

ANS: b

The Australian health care system is predicated on the basis of universal access to health care for all citizens.

REF: p. 18

3. Which of the following is NOT a current challenge facing the Australian health care system?

- a. Increasing costs of health care technologies
- b. Increased consumer expectations
- c. Insufficient number of private health insurance providers
- d. Ageing of the population

ANS: c

Challenges facing the health care system include the ageing of the population and concomitant increases in chronic disease and complex comorbidity management, increasing costs of health care technologies and other advances, increased consumer expectations, and inequalities in health status and inequitable access to health care services for some population groups. (According to the Private Health Insurance Ombudsman in 2015 (www.privatehealth.gov.au/healthfunds), there are currently in excess of 30 private health insurance providers in Australia – a market well catered for.)

REF: p. 19

4. What percentage of Medicare services were bulk-billed in 2013–2014?

- a. 68.6%
- b. 77.2%
- c. 52.74%
- d. 81.2%

ANS: b

In 2013–2014, 77.2% of all Medicare services were ‘bulk-billed’ (Department of Health data).

REF: p. 29

5. In the context of the Australian health care system, the federal government is responsible for:

- a. funding major public health programs
- b. providing health care services
- c. providing public dental services
- d. managing public hospitals

ANS: a

The Australian federal government does not provide health services directly but is responsible for administering the funding of major public health programs such as Medicare and the Pharmaceutical Benefits Scheme.

REF: p. 20

6. Government health expenditure in Australia has been increasing at what rate per year over the past decade?

- a. 2.5%

- b. 6%
- c. 3%
- d. 5%

ANS: d

Government expenditure on health in Australia has increased at a rate of 5% per annum over the past decade (Australian Institute of Health and Welfare data).

REF: p. 21

7. The rebate provided by Medicare for eligible medical services is based on what?

- a. Schedule fee
- b. Bulk-billing
- c. Co-payment
- d. Medicare Safety Net

ANS: a

Medicare provides a rebate at a set percentage of the 'schedule fee' for each eligible service. The schedule fees and rebate levels are detailed in the Medicare Benefits Schedule.

REF: p. 28

8. Bulk-billing is the practice of:

- a. medical practitioners sending out bulk medical bills.
- b. a medical practitioner accepting the Medicare schedule fee as full payment for a service
- c. Medicare providing bulk rebates for medical services
- d. medical practitioners billing private health insurance companies

ANS: b

Bulk-billing is where the provider accepts the scheduled fee and does not charge the patient the gap. Service providers can charge well above the scheduled fee.

REF: p. 28

9. Activity-based funding is where:

- a. public hospital doctors are funded for each service they deliver
- b. patients pay for their health care
- c. public hospitals are funded for each service they deliver

d. public hospitals are funded on a population basis

ANS: c

Public hospitals are currently funded on a fee-for-service basis known as activity-based funding. Medical practitioners working in public hospitals providing public services are employed as salaried medical officers (they receive a specified income) and are not paid on a fee-for-service basis.

REF: p. 29

10. Elective surgery is classified as:

- a. surgery that is not medically necessary
- b. surgery that is not medically required in the next 7 days
- c. surgery that is not medically required in the next 30 days
- d. surgery that is not medically required in the next 24 hours

ANS: d

Elective surgery is classified as surgery that is not medically required in the next 24 hours. The majority of elective surgery occurs in the private hospital system rather than public hospitals.

REF: p. 31