



# Glossary of terms

## Medical Costs Finder

This glossary lists definitions for commonly used terms on the [Medical Costs Finder](#). Definitions should not be used in lieu of definitions of these terms in other contexts, such as relevant rules and legislation.

TERM	DEFINITION
<b>Benefit</b>	A payment from your private health insurer and/or Government that helps pay for your medical costs.
<b>Bulk billing</b>	Bulk billing means you will not pay out-of-pocket costs for a medical service. The doctor bills Medicare and accepts the Medicare benefit as full payment for the service. Note this is different to a 'no gap' arrangement.
<b>Clinical category</b>	These are groups of hospital services covered by your private health insurance policy. You can browse <a href="#">clinical categories</a> on the <a href="#">Medical Costs Finder</a> website.
<b>Cost transparency</b>	Transparency in medical costs means you can see how much a treatment usually costs, how much Medicare and your private health insurer will pay, and how much you might have to pay yourself.
<b>Doctor</b>	May also be referred to as a medical practitioner or medical specialist providing your diagnosis and/or treatment.
<b>Indicative fee</b>	This is the typical amount a doctor may charge a patient for a medical service. The fee shown on the Medical Costs Finder refers to a doctor's charge – not other costs you might have to pay.
<b>Excess and/or Co-Payment</b>	<p><b>Excess</b> is an amount that you pay towards the cost of hospital treatment, in exchange for lower premium costs.</p> <p>You may be required to pay an excess every time you go to hospital, or only the first time. Depending on the type of hospitalisation (e.g. day surgery or overnight stay) you may only have to pay an excess. The excess amount (if any) you will need to pay depends on the private health insurance policy you take out.</p> <p><b>Co-payment</b> is a set amount that you pay for each day you are in hospital, in exchange for lower premiums. Most co-payments have a limit on the number of days per stay. It can also be called an overnight excess, daily excess or patient moiety. For example, a co-payment within a hospital insurance policy is the amount that you pay for each day you are in hospital.</p>

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<b>Gap</b>	<p>A gap is the amount of money you have to pay for your treatment that isn't covered by Medicare or your private health insurance.</p> <p>There are three types of gap arrangements:</p> <ul style="list-style-type: none"> <li>• <b>'No gap'</b> - Medicare and your health fund pay the full cost, so you don't pay anything out-of-pocket.</li> <li>• <b>'Known gap'</b> – your doctor agrees to charge only a set amount, and your health fund pays a specified benefit to the doctor. As a result, your gap payment is limited and fixed e.g. \$200 gap (\$200 out-of-pocket).</li> <li>• <b>'No arrangement'</b> – your doctor and health fund haven't negotiated a gap cover arrangement. If your doctor charges more than the MBS fee, you'll have to pay the extra amount yourself as an out-of-pocket cost.</li> </ul>
<b>General practitioner (GP)</b>	A general practitioner (GP) is a doctor who is qualified in general medical practice. GPs are often the first point of contact for someone, of any age, who feels sick or has a health concern. GPs treat a wide range of medical conditions and health issues.
<b>Hospital fees</b>	<p>If you're a private patient in a hospital you might have to pay for:</p> <ul style="list-style-type: none"> <li>• your room (accommodation)</li> <li>• operating room (theatre)</li> <li>• special medical items like plates, screws or artificial joints</li> <li>• medicines and bandages</li> <li>• physiotherapy or other treatments while you're in hospital.</li> </ul> <p>If your private health insurer has an arrangement with the private hospital, the insurer may pay for most or all of these costs.</p>
<b>Informed financial consent</b>	Ask your doctor or hospital to give you a written cost estimate before you agree to treatment. This helps you know how much you might need to pay.
<b>Medical Costs Finder disclaimer</b>	The disclaimer outlines the data used on the Medical Costs Finder website.
<b>Medicare Benefit Schedule (MBS)</b>	This is a list of medical services that the Australian Government helps pay for, to make healthcare more affordable for Australians.
<b>MBS item or MBS item number</b>	<p>Each medical service has a number in the MBS. You can look up this number on <a href="#">MBS Online</a> or the <a href="#">Medical Costs Finder</a>. It shows how much Medicare pays for the service.</p> <p>If it occurs in-hospital, Medicare will pay 75% of the MBS fee and your private health insurer will pay the minimum benefit amount for the medical service, which is at least the remaining 25% of the MBS fee.</p>
<b>Out-of-pocket cost</b>	This is the amount you pay your doctor for a medical service. It's the difference between what your doctor charges and what you get back from Medicare and your private health insurer. This cost is also called gap fee or patient payments or patient contribution.
<b>Out-of-hospital</b>	These are medical services given outside of a hospital stay. They can happen in places like an emergency room, clinics or other locations. You don't have to stay overnight in the hospital to get them. These services can be with or without a referral from a doctor. Private health insurance usually doesn't cover these services. Examples include but not limited to doctor visits and tests like x-rays. A person getting this kind of care is called an outpatient.
<b>Private hospital</b>	Private hospitals are run by private groups, including some that don't make a profit. They get most of their money from private health insurance and governments.

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<b>Private health insurance</b>	Private health insurance helps pay for treatment in a private hospital. It can also help cover extra services like dental, physiotherapy and optical.
<b>Private health insurer</b>	This is a private health insurance organisation approved to operate in Australia. It may also be known as a health fund.
<b>Procedure</b>	An operation or procedure, with or without surgery, is usually done in hospital.
<b>Public hospital</b>	Public hospitals are part of Australia's health system. They are run by state and territory governments and also get money from the Australian Government. These hospitals give free medical care, paid for by government funding.
<b>Referrals</b>	<p>There are two types of referrals:</p> <ul style="list-style-type: none"> <li>• General referral - this is a letter from your doctor to another health worker or health service. Most are from GPs to specialists and last for 12 months. The letter usually names a specialist; but you can use it to see a different specialist without getting a new referral. You need a referral for Medicare to help pay for the visit.</li> <li>• Open referral - this is a letter from your GP that might not have an end date and doesn't name a specific specialist. It's often used for people who need long-term care, like those with ongoing health problems.</li> </ul>
<b>Service</b>	A medical service that is needed for a patient's treatment.
<b>Specialists</b>	Medical specialists are doctors who have done extra training to focus on one area of medicine.
<b>Specialty</b>	This is a specific area of medicine. You can <a href="#">browse different specialties</a> on the <a href="#">Medical Costs Finder</a> website.