White Poppy Psychology

END THE WAR WITHIN TOGETHER

The Medicare Safety Net: How You Could be Saving More on Your Therapy Expenses

When you see a psychologist, Medicare provides a rebate for a certain number of sessions each year if you have a **Mental Health Care Plan (MHCP)** from your GP. But what many people don't realise is that Medicare also has something called the **Medicare Safety Net**, which may help reduce your out-of-pocket costs if you (or your family) need ongoing support.

Let's break down what this means and how it may apply to you.

What is the Medicare Safety Net?

The Medicare Safety Net gives you a **higher rebate from Medicare** once your medical costs for the year go over a certain limit (called a "threshold").

This means that after you've spent a certain amount on out-of-pocket costs, Medicare will pay you more back for each session.

How It Works With Psychology

When you see a psychologist under a **Mental Health Care Plan**:

1. You pay the full session fee.
2. Medicare pays a rebate back into your account (currently **$145.25 for a 50+ minute session with a Clinical Psychologist**).
3. The **gap (out-of-pocket cost)** is the difference between the fee and the rebate.

Example:

- Psychologist fee: $260
- Medicare rebate: $145.25
- Out-of-pocket: $114.75

That $114.75 counts towards your **Safety Net total** for the year.

Two Safety Net Thresholds

There are two different levels of extra support:

1. Original Medicare Safety Net (OMSN)

- Threshold: **$576** in gap payments (per person or family).
- What happens: Your rebate increases slightly (about 15% more), so your out-of-pocket per session goes down a bit.

2. Extended Medicare Safety Net (EMSN)

- Thresholds for 2025:
  - **$2,615.50** in out-of-pocket costs (general)
  - **$834.50** if you have a concession card or receive Family Tax Benefit A
- What happens: Medicare pays back **80% of the out-of-pocket cost** for the rest of the year (up to a capped amount).
- In practice: If your gap per session is $100, you'll only pay **$20** after reaching this threshold.

Can Families Combine Their Costs?

Yes! If you register as a **family or couple** with Medicare, all your medical costs are added together. This helps you reach the threshold faster.

Checking Your Safety Net Balance

You can see how close you are to reaching the Safety Net by:

- Logging in to your **MyGov** account linked to Medicare
- Calling Medicare on **132 011**

Why This Matters

If you need regular psychology sessions, the Medicare Safety Net can make a big difference later in the year. Once the thresholds are reached, your **out-of-pocket costs per session will drop**, sometimes significantly.

Final Note

The Medicare Safety Net can feel confusing, but the main takeaway is this: the more you spend on out-of-pocket healthcare costs in a year, the more help Medicare gives you back.

If you'd like to know how this applies to your own situation, the best step is to check your Safety Net balance with Medicare.

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