



## THE PHARMACEUTICAL BENEFITS SCHEME (PBS)

### The Medical Benefits Schedule (MBS)

Fact Sheet 006



#### What is the PBS?

The Pharmaceutical Benefits Scheme (PBS) is an Australian Government program that provides subsidised prescription drugs to residents of Australia. It provides access to necessary and lifesaving medicines at an affordable price. The scheme assumes responsibility for the cost of drugs to patients in the community setting rather than in hospital, which is the responsibility of each state and territory. The PBS Schedule is part of the wider Pharmaceutical Benefits Scheme managed by the Department of Health and administered by Department of Human Services. PBS and Medicare make up key components of the Australian healthcare system and represent a large proportion of expenditure within the health budget.



#### What is the MBS

The Medical Benefits Schedule (MBS) is an Australian Government program that provides access to medical and hospital services. The MBS is a list of services that are subsidised under Medicare. Services might include things such as GP visits, blood tests, x-rays.

It is important to remember that Medicare rebates do not always cover the full cost of medical services. There is often a gap between what patients pay for services and the amount that Medicare reimburses. This gap is known as an out-of-pocket expense, as the patient makes up the difference. As an example, if you go to a GP that doesn't bulk bill, they are free to set their own prices for services. In this case, a patient will pay for their treatment and receive a rebate from Medicare.

### WHAT IS THE OBJECTIVE OF THE PBS?

The main objective of the scheme is delivering safe, affordable and clinically effective medicines to all Australians as well as assuring value for taxpayers.



#### References

[www.humanservices.gov.au](http://www.humanservices.gov.au)



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