

Medibank Private, ICSGlobal link up

■ By Neale Prior

HEALTH industry technology group ICSGlobal yesterday unveiled a breakthrough agreement linking Medibank Private to its internet-based transaction system and providing an equity tie-up with the Federal Government-owned health fund.

Under the deal, Medibank Private could move to hold about 17 per cent of ICSGlobal via incentive share issues and a proposed option issue.

ICSGlobal told the stock exchange yesterday that Medibank Private had signed a

three-year user agreement covering the part of ICSGlobal's transaction system that verifies the eligibility of patients presenting at hospitals for services.

It said that subject to the success of the patient eligibility operations, ICSGlobal and Medibank Private could work on further links that could include hospital, medical, radiology and ancillary claims.

ICSGlobal managing director Tim Murray said he was confident the deal would proceed to the claims stages because its entitlement system was working with other funds and had worked at a pilot program

with Medibank Private. Sydney-based ICSGlobal was floated by Perth-based stockbroking firm Paterson Ord Minnett in 1999.

The massive IT consulting downturn in 2000 resulted in the company focusing on the development of a business-to-business system for health care.

The technology allows various industry players to deal with each other over the internet in return for a fixed fee plus fees for each transaction to ICSGlobal.

ICSGlobal shares closed steady at 79¢ yesterday.