

Health Insurance (Pathology Services Table) Amendment Regulations 2001 (No. 1) 2001 No. 4

EXPLANATORY STATEMENT

STATUTORY RULES 2001 No. 4

Issued by the Authority of the Minister for Health and Aged Care

Health Insurance Act 1973

Health Insurance (Pathology Services Table) Amendment Regulations 2001 (No. 1)

Section 133 of the *Health Insurance Act 1973* (the Act) provides that the Governor-General may make regulations prescribing matters for the purpose of the Act.

The Act provides for the payment of professional services through Medicare benefits to all eligible persons.

Section 9 of the Act provides that Medicare benefits shall be calculated by reference to the fees for medical services (including pathology services) set out in the table.

Section 4A of the Act provides that a table of pathology services may be prescribed. The *Health Insurance (Pathology Services Table) Regulations 2000*, which commenced on 1 November 2000, prescribe such a table.

The Regulations implement a number of fee adjustments for selected pathology Medicare items to enable expenditure targets under the Pathology Quality and Outlays Agreement to be met. The growth trend in outlays for the second year of the agreement has risen to around 6.6%, considerably higher than the growth rate of 5.0% allowed. Under the terms of the agreement with the pathology industry, any over-expenditure can be brought back into line through Medicare item fee targeting.

Twenty-two pathology items have had a fee adjustment, of which fourteen have had a fee decrease and eight a fee increase. The items with a fee decrease are high volume common tests.

The overall effect of fee targeting is anticipated to decrease Pathology MBS expenditure equivalent to 1.01% of total expenditure for 1999/2000 or by \$10.978m.

The changes to the 2000-2001 Pathology Services Table have been developed in cooperation with the two peak pathology professional bodies, the Royal College of Pathologists of Australasia and the Australian Association of Pathology Practices, through the Pathology Services Table Committee (PSTC).

Details of the Regulations are set out in the attachment.

The Regulations commenced on 7 February 2001.

ATTACHMENT

Regulation 1 cites the regulations as the *Health Insurance (Pathology Services Table) Amendment Regulations 2001 (No. 1)*.

Regulation 2 prescribes a commencement date of 7 February 2001.

Regulation 3 provides for the *Health Insurance (Pathology Services Table) Regulations 2000* to be amended as set out in Schedule 1.

The changes under Regulation 3, Schedule 1 are:

Medicare Item Number	Amended Fee
66593	18.30
66596	33.10
66599	23.85
66602	43.45
66716	26.70
66719	36.40
66722	39.40
66725	52.40
66728	65.40
66731	78.40
66734	91.40
72813	70.00
73043	22.30
73045	47.50
73047	92.50
73049	67.50
73051	166.35
73053	19.00
73055	19.00
73057	19.00
73913	9.60
73915	9.60