

Health Insurance (Pathology Services Table) Amendment Regulations 2004 (No. 2) 2004 No. 67

EXPLANATORY STATEMENT

STATUTORY RULES 2004 NO. 67

Issued by the Authority of the Minister for Health and Ageing

Health Insurance Act 1973

Health Insurance (Pathology Services Table) Amendment Regulations 2004 (No. 2)

Subsection 133(1) of the *Health Insurance Act 1973* (the Act) provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Act provides, in part, for payments of Medicare benefits in respect of professional services rendered to 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 prescribed tables.

Section 4A of the Act provides that the regulations may prescribe a table of pathology services that sets out items of pathology services, the amount of fees applicable in respect of each item, and rules for interpretation of the table. The *Health Insurance (Pathology Services Table) Regulations 2003* currently prescribe such a table.

The purpose of the Regulations is to amend the current table of pathology services by making the following changes, as part of the ongoing management of the table:

- addition of 5 new items;
- amendments to 9 existing items; and
- amendment to 2 rules.

The changes have been developed with the co-operation and support of the two peak pathology bodies, the Royal College of Pathologists of Australasia (RCPA) and the Australian Association of Pathology Practices (AAPP), through the Pathology Services Table Committee. Amendments to the sub-rules have been developed in consultation with the RCPA, AAPP and the National Coalition of Public Pathologists (NCOPP).

The Regulations are consistent with the provisions of the Pathology Quality and Outlays Agreement to manage pathology expenditure within agreed parameters. As part of this Agreement, the Pathology Consultative Committee will monitor the impact of the amendments, to take effect on 1 May 2004, on overall expenditure on pathology, and support any necessary adjustments to ensure that the expenditure target is achieved.

Details of the Regulations are set out in the Attachment.

The Act specifies no conditions that need to be met before the power to make the Regulations may be exercised.

The Regulations commence on 1 May 2004.

ATTACHMENT

DETAILS OF THE *HEALTH INSURANCE (PATHOLOGY SERVICES TABLE) AMENDMENT REGULATIONS 2004 (No. 2)*

Regulation 1 provides for the Regulations to be referred to as the *Health Insurance (Pathology Services Table) Amendment Regulations 2004 (No. 2)*.

Regulation 2 provides for the Regulations to commence on 1 May 2004.

Regulation 3 provides for Schedule 1 to amend the *Health Insurance (Pathology Services Table) Regulations 2003*.

Schedule 1 - Amendments

Items [1], [2] and [3]

These items amend subrule 14 (2) and paragraph 16 (2) (d) to enable publicly owned pathology laboratories that have Approved Pathology Authority (APA) status to claim a referred specimen Medicare rebate (item 73921) for tests that are referred by a separate APA.

Items [4], [5], [6] and [7]

These items restructure items relating to respiratory antigens to increase their diagnostic value. Two items (69373 and 69374) have been created, and three consequential descriptors (69363, 69372 and 69375) have been amended.

These items also amend the Schedule fees for the detection of microbial antigens and nucleic acids. The Schedule fees for items 69363, 69369, 69370, 69372 and 69375 have been amended, and a new item 69376 has been created. The changes provide consistency for similar technologies and remove any ambiguities.

Item [8]

This item amends item 69444 (detection of Hepatitis C viral RNA) to enable an RNA viral load test to be available for all hepatitis C seropositive patients. The amendment removes the requirement for two normal liver function tests.

Items [9], [10] and [12]

These items create a new item 71146 to provide for CD34 assay, and makes a consequential change to item 71139. It is anticipated that this new item and the consequential change reflects current clinical practice. It should be noted that any benefits paid in respect of item 71146 would not be payable in testing with cord blood banking or embryonic stem cell testing.

Item [11]

This item amends item 73921 to ensure that the item descriptor correctly identifies the specific rules governing the item.

Item [13]

This item effectively raises the histopathology complexity level for melanoma in situ from 3 to 5. Melanoma in situ is currently covered by "Skin, all specimens not otherwise specified including neoplasms and cysts", with a complexity level of 3. Omitting the existing description for malignant melanoma with full evaluation (which has complexity level 5), and replacing it with the item acknowledges that melanoma in situ requires extra work, as multiple levels must be examined in order to confirm the diagnosis and to exclude the possibility of an invasive component. Circumstances which are covered by the existing malignant melanoma description continue to be covered by the item, thus retaining complexity level 5 for specimens of that nature.