

2016-2017-2018-2019

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Health Insurance Amendment (Bonded
Medical Programs Reform) Bill 2019**

No. , 2019

(Health)

A Bill for an Act to amend the *Health Insurance Act 1973*, and for related purposes

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1 **A Bill for an Act to amend the *Health Insurance Act***
2 ***1973, and for related purposes***

3 The Parliament of Australia enacts:

4 **1 Short title**

5 This Act is the *Health Insurance Amendment (Bonded Medical*
6 *Programs Reform) Act 2019*.

7 **2 Commencement**

8 (1) Each provision of this Act specified in column 1 of the table
9 commences, or is taken to have commenced, in accordance with
10 column 2 of the table. Any other statement in column 2 has effect
11 according to its terms.
12

Commencement information

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedule 1	1 January 2020.	1 January 2020

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

4 (2) Any information in column 3 of the table is not part of this Act.
5 Information may be inserted in this column, or information in it
6 may be edited, in any published version of this Act.

7 **3 Schedules**

8 Legislation that is specified in a Schedule to this Act is amended or
9 repealed as set out in the applicable items in the Schedule
10 concerned, and any other item in a Schedule to this Act has effect
11 according to its terms.

Schedule 1—Amendments

Health Insurance Act 1973

1 Subsection 3(1)

Insert:

Australian university has the same meaning as in the *Higher Education Support Act 2003*.

Bonded Medical Program: see section 124ZD.

Bonded Medical Program rules: see section 124ZT.

bonded participant: see section 124ZE.

census date has the same meaning as in the *Higher Education Funding Act 1988*.

course of study in medicine has the same meaning as in the *Higher Education Support Act 2003*.

eligible location means:

- (a) an area prescribed by the Bonded Medical Program rules as a regional, rural or remote area; or
- (b) an area prescribed by the Bonded Medical Program rules as an area of workforce shortage.

permanent visa has the same meaning as in the *Migration Act 1958*.

return of service obligation: see section 124ZF.

2 After Part VC

Insert:

1 **Part VD—Bonded Medical Program**

2 **Division 1—Bonded Medical Program**

3 **Subdivision A—Introduction**

4 **124ZD Bonded Medical Program**

5 The *Bonded Medical Program* is a statutory scheme provided for
6 by this Part that requires bonded participants to complete a return
7 of service obligation in return for a Commonwealth funded place in
8 a course of study in medicine at an Australian university, which is
9 provided as a benefit to bonded participants as students.

10 **124ZE Bonded participants**

11 *Bonded Medical Program participants*

12 (1) If:

- 13 (a) a person resides in Australia; and
14 (b) the person:
15 (i) is an Australian citizen; or
16 (ii) holds a permanent visa; and
17 (c) the person has been offered a place in a course of study in
18 medicine at an Australian university; and
19 (d) the offer is subject to the person participating in the Bonded
20 Medical Program; and
21 (e) the person has accepted that offer and is enrolled in the
22 course of study in medicine at that Australian university; and
23 (f) the person has voluntarily agreed to participate in the Bonded
24 Medical Program using a web portal maintained by the
25 Department;

26 the person is a *bonded participant* in the Bonded Medical Program
27 on and after the day the person agrees to participate in the Program
28 until an event mentioned in subsection (4) applies in relation to the
29 person.

Former Bonded Medical Places Scheme participants

1
2 (2) If:

- 3 (a) a person was a party to a deed of agreement with the
4 Commonwealth (as represented by the Department) for
5 funding of a place in the Bonded Medical Places Scheme,
6 including a deed of agreement as varied; and
7 (b) the person advises the Department that the person wishes to
8 opt in to the Bonded Medical Program under section 124ZU;
9 and
10 (c) the Secretary agrees, in writing, to the person's participation
11 in the Bonded Medical Program;

12 the person is a ***bonded participant*** in the Bonded Medical Program
13 on and after the day after the day the Secretary agrees, in writing,
14 to the person's participation in the Program until an event
15 mentioned in subsection (4) applies in relation to the person.

16 *Former Medical Rural Bonded Scholarship participants*

17 (3) If:

- 18 (a) a person was a party to a contract with the Commonwealth
19 (as represented by the Department) for a Medical Rural
20 Bonded Scholarship, including a contract as varied; and
21 (b) the person advises the Department that the person wishes to
22 opt in to the Bonded Medical Program under section 124ZU;
23 and
24 (c) the Secretary agrees, in writing, to the person's participation
25 in the Bonded Medical Program;

26 the person is a ***bonded participant*** in the Bonded Medical Program
27 on and after the day after the day the Secretary agrees, in writing,
28 to the person's participation in the Program until an event
29 mentioned in subsection (4) applies in relation to the person.

30 (4) If any of the following apply:

- 31 (a) a person completes their return of service obligation;
32 (b) a person withdraws from, or is barred from, a course of study
33 in medicine at an Australian university;
34 (c) a person breaches the condition mentioned in
35 paragraph 124ZG(1)(c), and section 124ZJ does not apply to
36 the person;
-

- 1 (d) section 124ZJ applies to a person and the period during
2 which medicare benefits are not payable, as mentioned in that
3 section, ends;
- 4 (e) a person withdraws from the Bonded Medical Program in
5 accordance with section 124ZP, and subsection 124ZQ(3)
6 does not apply to the person;
- 7 (f) subsection 124ZQ(3) applies to a person and the period
8 during which medicare benefits are not payable, as
9 mentioned in subsection 124ZQ(4), ends;
10 the person ceases to be a *bonded participant* on the day the
11 relevant event occurs.

12 **Subdivision B—Conditions of Bonded Medical Program**

13 **124ZF Return of service obligation**

- 14 (1) A bonded participant must work as a medical practitioner in an
15 eligible location for a period of 3 years (the bonded participant’s
16 *return of service obligation*).
- 17 (2) The return of service obligation:
 - 18 (a) must be completed within 18 years of the day on which a
19 bonded participant completes their course of study in
20 medicine at an Australian university; and
 - 21 (b) must be completed in accordance with any requirements set
22 out in the Bonded Medical Program rules; and
 - 23 (c) may be completed by a series of periods; and
 - 24 (d) in relation to a bonded participant covered by
25 subsection 124ZE(2)—is to be reduced in accordance with
26 paragraph 124ZV(2)(a), if applicable; and
 - 27 (e) in relation to a bonded participant covered by
28 subsection 124ZE(3)—is to be reduced in accordance with
29 paragraph 124ZW(2)(a), if applicable.
- 30 (3) A bonded participant may, before the end of the 18 year period,
31 apply to the Secretary for an extension of time to complete their
32 return- of service obligation if the bonded participant, or a member
33 of the bonded participant’s family, has a medical condition that
34 prevents the bonded participant from completing their return of

1 service obligation within the 18 year period required by
2 paragraph (2)(a).

3 (4) If:

4 (a) a bonded participant makes an application before the end of
5 the 18 year period; and

6 (b) the Secretary is satisfied that the bonded participant is unable
7 to complete their return of service obligation within the 18
8 year period required by paragraph (2)(a);

9 the Secretary may, in writing, extend the time within which the
10 return of service obligation may be completed.

11 **124ZG Conditions of Bonded Medical Program**

12 (1) As a bonded participant receiving a Commonwealth funded place,
13 provided as a benefit to students, the bonded participant is subject
14 to the following conditions:

15 (a) that, within the period prescribed by the Bonded Medical
16 Program rules, the bonded participant completes their course
17 of study in medicine at an Australian university;

18 (b) that, to complete the bonded participant's return of service
19 obligation, the participant work, in accordance with the
20 requirements set out in the Bonded Medical Program rules, as
21 a medical practitioner in an eligible location;

22 (c) that the bonded participant complete their return of service
23 obligation within the period allowed by section 124ZF;

24 (d) that the bonded participant give information or documents to
25 the Department:

26 (i) in the circumstances prescribed by the Bonded Medical
27 Program rules; and

28 (ii) in accordance with any requirements set out in those
29 rules;

30 (e) if the Secretary requests information or documents from the
31 bonded participant for the purpose of administering this
32 Part—that the bonded participant give such information or
33 documents to the Department in response to the request as
34 soon as practicable after the request is made;

35 (f) that the bonded participant comply with any other condition
36 set out in the Bonded Medical Program rules.

- 1 (2) To avoid doubt, a breach of the requirements set out in the Bonded
2 Medical Program rules, as mentioned in paragraph 124ZF(2)(b), is
3 a breach of the condition mentioned in paragraph (1)(b) of this
4 section.

5 **124ZH Breach of condition of Bonded Medical Program—**
6 **repayment of education costs**

- 7 (1) This section applies if, when a person is a bonded participant:
8 (a) both:
9 (i) the person breaches the condition mentioned in
10 paragraph 124ZG(1)(a); and
11 (ii) the breach occurs after the person's census date for the
12 second year of the person's course of study in medicine
13 at an Australian university; or
14 (b) the person breaches the condition mentioned in
15 paragraph 124ZG(1)(c).
- 16 (2) The person must pay:
17 (a) if the person is a bonded participant covered by
18 subsection 124ZE(1) or (2)—both:
19 (i) 100% of the cost of the person's course of study in
20 medicine at an Australian university, as funded by the
21 Commonwealth as a benefit to the person as a student,
22 less a pro-rata proportion based on any proportion of
23 return of service obligation completed; and
24 (ii) interest on the amount worked out under
25 subparagraph (i) and applied in accordance with the
26 Bonded Medical Program rules; and
27 (b) if the person is a bonded participant covered by
28 subsection 124ZE(3)—both:
29 (i) 100% of the Commonwealth funded scholarship
30 provided to the person in relation to their course of
31 study in medicine at an Australian university as a
32 benefit to the person as a student, less a pro-rata
33 proportion based on any proportion of return of service
34 obligation completed; and

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- 1 (ii) interest on the amount worked out under
2 subparagraph (i) and applied in accordance with the
3 Bonded Medical Program rules.
- 4 (3) The amounts mentioned in subsection (2) are recoverable as a debt
5 due to the Commonwealth from the person or the estate of the
6 person.

7 **124ZJ Breach of condition of Bonded Medical Program—medicare**
8 **benefits not payable**

- 9 (1) A medicare benefit is not payable in respect of a professional
10 service rendered by, or on behalf of, a medical practitioner who:
11 (a) is a bonded participant covered by subsection 124ZE(3); and
12 (b) has breached the condition mentioned in
13 paragraph 124ZG(1)(c).
- 14 (2) The period during which medicare benefits are not payable under
15 subsection (1) is a period of 6 years from the day the breach occurs
16 (even if this period extends beyond the 18 year period mentioned
17 in paragraph 124ZF(2)(a)).
- 18 (3) This section applies whether or not the medical practitioner was a
19 medical practitioner at the time the breach occurred.

20 **124ZK Breach of condition of Bonded Medical Program—**
21 **administrative penalty**

- 22 (1) A person is liable for an administrative penalty if:
23 (a) the person is a bonded participant; and
24 (b) the person breaches a condition mentioned in
25 paragraph 124ZG(1)(d) or (e).
- 26 (2) The amount of the administrative penalty is \$10,000.
- 27 (3) If subsection (1) applies to a person, the Secretary must give the
28 person a written notice of the following:
29 (a) the person's liability to pay an administrative penalty;
30 (b) the breach of condition to which the administrative penalty
31 relates;

- 1 (c) if there is more than one breach of condition—the total of the
2 administrative penalties;
- 3 (d) the day by which the penalty becomes due for payment
4 (which must be at least 14 days after the day on which the
5 notice is given).
- 6 (4) An administrative penalty payable under this section:
- 7 (a) is a debt due to the Commonwealth; and
- 8 (b) may be recovered by the Secretary, on behalf of the
9 Commonwealth, by action in a court of competent
10 jurisdiction.

11 **Subdivision C—Review of decisions**

12 **124ZL Application for review**

13 *Application may be made*

- 14 (1) A person may apply to the Secretary for review of a decision (the
15 **original decision**) of an APS employee in the Department made
16 under this Part.
- 17 (2) An application must:
- 18 (a) be in writing; and
- 19 (b) set out the reasons for the application; and
- 20 (c) be made within:
- 21 (i) 14 days after the day the original decision was made; or
- 22 (ii) if the Secretary allows a longer period—that longer
23 period.
- 24 (3) After receiving an application under subsection (2), the original
25 decision must be reviewed by:
- 26 (a) the Secretary; or
- 27 (b) another person who:
- 28 (i) is a person to whom the power to review the original
29 decision has been delegated; and
- 30 (ii) was not involved in the making of the original decision;
31 and

- 1 (iii) occupies a position that is at least the same level as the
2 person who made the original decision.

3 *Decision on review*

- 4 (4) The person reviewing the original decision must:
5 (a) affirm the original decision; or
6 (b) vary the original decision; or
7 (c) set aside the original decision and substitute a new decision.

8 Note: An application may be made to the Administrative Appeals Tribunal
9 for a review of a decision on review under this subsection: see
10 section 124ZN.

11 *Withdrawal of application*

- 12 (5) A person who has applied for a review of the original decision
13 under subsection (2) may, in writing, withdraw that application at
14 any time before the review has been completed.
15 (6) If the application is withdrawn, it is taken never to have been
16 made.

17 **124ZM Notice of decision on review**

- 18 (1) The person reviewing the original decision must give the applicant
19 written notice of the decision on review. The notice must include:
20 (a) the reasons for the decision on review; and
21 (b) any findings on material questions of fact, including
22 references to evidence or other material on which those
23 findings were based; and
24 (c) notice of any right to have the decision on review reviewed
25 by the Administrative Appeals Tribunal.
26 (2) If:
27 (a) under subsection 124ZL(4), the person reviewing the
28 decision decides to:
29 (i) vary an original decision; or
30 (ii) set aside an original decision and substitute a new
31 decision; and

- 1 (b) the decision on review is made after a person has applied to
2 the Administrative Appeals Tribunal for review in relation to
3 the original decision;
4 the Secretary must give written notice of the decision on review to
5 the Registrar of the Administrative Appeals Tribunal.

6 **124ZN Review by Administrative Appeals Tribunal**

- 7 Application may be made to the Administrative Appeals Tribunal
8 for review of the following decisions:
9 (a) a decision of the Secretary, under subsection 124ZF(4), to
10 refuse to extend the time within which a bonded participant's
11 return of service obligation may be completed;
12 (b) a decision under subsection 124ZL(4) by a person reviewing
13 an original decision;
14 (c) a decision of the Secretary, made under
15 paragraph 124ZV(1)(c) or 124ZW(1)(c), to refuse to agree to
16 a person's participation in the Bonded Medical Program.

17 **Subdivision D—Withdrawal from Bonded Medical Program**

18 **124ZP Withdrawal from Bonded Medical Program**

- 19 (1) A bonded participant may withdraw from the Bonded Medical
20 Program at any time.
21 (2) If a bonded participant wishes to so withdraw, the bonded
22 participant must do so by notifying the Department using a web
23 portal maintained by the Department.

24 **124ZQ Consequences of withdrawal**

25 *Consequences for all participants*

- 26 (1) If a person withdraws from the Bonded Medical Program after the
27 person's census date for the second year of the person's course of
28 study in medicine at an Australian university, the person must pay:
29 (a) if the person was a bonded participant covered by
30 subsection 124ZE(1) or (2)—both:

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- 1 (i) 100% of the cost of the person's course of study in
2 medicine at an Australian university, as funded by the
3 Commonwealth as a benefit to the person as a student,
4 less a pro-rata proportion based on any proportion of
5 return of service obligation completed; and
6 (ii) interest on the amount worked out under
7 subparagraph (i) and applied in accordance with the
8 Bonded Medical Program rules; and
9 (b) if the person was a bonded participant covered by
10 subsection 124ZE(3)—both:
11 (i) 100% of the Commonwealth funded scholarship
12 provided to the person in relation to their course of
13 study in medicine at an Australian university as a
14 benefit to the person as a student, less a pro-rata
15 proportion based on any proportion of return of service
16 obligation completed; and
17 (ii) interest on the amount worked out under
18 subparagraph (i) and applied in accordance with the
19 Bonded Medical Program rules.
- 20 (2) The amounts mentioned in subsection (1) are recoverable as a debt
21 due to the Commonwealth from the person or the estate of the
22 person.
- 23 *Additional consequences for former Medical Rural Bonded*
24 *Scholarship participants*
- 25 (3) A medicare benefit is not payable in respect of a professional
26 service rendered by, or on behalf of, a medical practitioner who:
27 (a) was a bonded participant covered by subsection 124ZE(3);
28 and
29 (b) withdraws from the Bonded Medical Program after the
30 person's census date for the second year of the person's
31 course of study in medicine at an Australian university.
- 32 (4) The period during which medicare benefits are not payable under
33 subsection (3) is a period of 6 years from the day the person
34 withdraws from the Bonded Medical Program (even if this period
35 extends beyond the 18 year period mentioned in
36 paragraph 124ZF(2)(a)).
-

- 1 (5) Subsection (3) applies whether or not the medical practitioner was
2 a medical practitioner at the time the person withdrew from the
3 Bonded Medical Program.

4 **Subdivision E—Information sharing**

5 **124ZR Authorised collection, use and disclosure**

6 *Administration or enforcement of Part*

- 7 (1) The Secretary or an APS employee in the Department is authorised
8 to collect, use and disclose information relating to a bonded
9 participant, including personal information (within the meaning of
10 the *Privacy Act 1988*), if the collection, use or disclosure is
11 reasonably necessary for the purpose of administering or enforcing
12 the provisions of this Part.

13 Note: If a person collects, uses or discloses information relating to a bonded
14 participant otherwise than in accordance with this section, see
15 section 130.

- 16 (2) Without limiting subsection (1), a collection, use or disclosure for
17 any of the following purposes is taken to be reasonably necessary
18 for the purpose of administering or enforcing the provisions of this
19 Part:
- 20 (a) confirming whether a bonded participant is, or was during a
21 particular period, an Australian citizen or holder of a
22 permanent visa;
 - 23 (b) monitoring a bonded participant's compliance with the
24 conditions of the Bonded Medical Program set out in
25 section 124ZG;
 - 26 (c) verifying the accuracy of notifications made, and information
27 or documents provided by, a bonded participant in relation to
28 their participation in the Bonded Medical Program;
 - 29 (d) assisting a bonded participant's participation in the Bonded
30 Medical Program.

31 *Compiling and reporting statistical information*

- 32 (3) The Secretary or an APS employee in the Department is authorised
33 to collect, use and disclose information relating to a bonded
34 participant for the purposes of compiling and reporting statistical
-

1 information relating to the operation of the Bonded Medical
2 Program.

- 3 (4) Any reporting of statistical information must not identify, or be
4 reasonably capable of being used to identify, an individual.

5 **124ZS Interaction with the *Privacy Act 1988***

6 An authorisation to collect, use or disclose information relating to a
7 bonded participant under this Part is also an authorisation to
8 collect, use or disclose information relating to a bonded participant
9 for the purposes of the *Privacy Act 1988*.

10 **Subdivision F—Bonded Medical Program rules**

11 **124ZT Bonded Medical Program rules**

12 *Content of rules*

- 13 (1) The Minister may, by legislative instrument, make rules (the
14 ***Bonded Medical Program rules***) prescribing matters:
15 (a) required or permitted by this Part to be prescribed by the
16 rules; or
17 (b) necessary or convenient to be prescribed for carrying out or
18 giving effect to this Part.
- 19 (2) For the purposes of the definition of ***eligible location***, the Bonded
20 Medical Program rules:
21 (a) must prescribe either or both of the following:
22 (i) a regional, rural or remote area of Australia;
23 (ii) an area of workforce shortage; and
24 (b) may prescribe that an area is prescribed as an eligible
25 location only in relation to a particular class of bonded
26 participants.
- 27 (3) Without limiting subsection (1), the Bonded Medical Program
28 rules may provide for any or all of the following matters:
29 (a) the events that a bonded participant must notify to evidence
30 compliance with conditions of the Bonded Medical Program;

- 1 (b) the requirements for completing a return of service
2 obligation;
- 3 (c) the circumstances in which work which qualifies for
4 completing a return of service obligation may be scaled;
- 5 (d) the circumstances in which work will qualify for completing
6 a return of service obligation (even if there is a change in an
7 eligible location);
- 8 (e) for the purposes of section 124ZF:
9 (i) who is a member of a bonded participant's family; and
10 (ii) evidential requirements for establishing whether a
11 bonded participant, or a member of the bonded
12 participant's family, has a medical condition; and
13 (iii) evidential requirements for establishing that such a
14 medical condition prevents a bonded participant from
15 completing their return of service obligation;
- 16 (f) in relation to a breach of the condition mentioned in
17 paragraph 124ZG(1)(a) or (c)—the applicable rate of interest
18 and how interest is to be applied;
- 19 (g) the form in which, and the way in which, information or
20 documents are to be provided to the Department.
- 21 (4) The Bonded Medical Program rules may provide for any matter
22 mentioned in subsection (3) only in relation to a particular class of
23 bonded participants.
- 24 (5) To avoid doubt, the Bonded Medical Program rules may not do the
25 following:
26 (a) create an offence or civil penalty;
27 (b) provide powers of:
28 (i) arrest or detention; or
29 (ii) entry, search or seizure;
30 (c) impose a tax;
31 (d) set an amount to be appropriated from the Consolidated
32 Revenue Fund under an appropriation in this Act;
33 (e) directly amend the text of this Act.

Incorporation of other instruments

- 1
- 2 (6) For the purposes of subsection (2), the Bonded Medical Program
3 rules may make provision in relation to a matter by applying,
4 adopting or incorporating, with or without modification, any matter
5 contained in an instrument or other writing:
6 (a) as in force or existing at a particular time; or
7 (b) as in force or existing from time to time.
- 8 (7) Subsection (6) has effect despite subsection 14(2) of the
9 *Legislation Act 2003*.

10 *Inconsistency of rules and regulations*

- 11 (8) Bonded Medical Program rules that are inconsistent with the
12 regulations have no effect to the extent of the inconsistency, but the
13 rules are taken to be consistent with the regulations to the extent
14 that the rules are capable of operating concurrently with the
15 regulations.

16 **Division 2—Transitional arrangements**

17 **124ZU Opt in process for participating in the Bonded Medical**
18 **Program**

- 19 (1) This section applies to a person who is:
20 (a) a party to a deed of agreement with the Commonwealth (as
21 represented by the Department) for funding of a place in the
22 Bonded Medical Places Scheme, including a deed of
23 agreement as varied; or
24 (b) a party to a contract with the Commonwealth (as represented
25 by the Department) for a Medical Rural Bonded Scholarship,
26 including a contract as varied (an *MRBS participant*).
- 27 (2) A person to whom subsection (1) applies may opt in to the Bonded
28 Medical Program by advising the Department, in writing, that:
29 (a) the person voluntarily wishes to opt in to the Program; and
30 (b) the person voluntarily agrees to participate in the Program
31 using a web portal maintained by the Department.

- 1 (3) Despite subsection (2), a person may not opt in to the Bonded
2 Medical Program if:
3 (a) section 19ABA applies in relation to the person; or
4 (b) in the case of an MRBS participant—the person has not
5 completed their course of study in medicine at an Australian
6 university.

7 **124ZV Effect of opting in to the Bonded Medical Program—BMP**
8 **participants**

- 9 (1) If:
10 (a) a person is a party to a deed of agreement with the
11 Commonwealth (as represented by the Department) for
12 funding of a place in the Bonded Medical Places Scheme (a
13 **BMP participant**), including a deed of agreement as varied;
14 and
15 (b) the person advises the Department, in writing, that:
16 (i) the person wishes to opt in to the Bonded Medical
17 Program, as mentioned in section 124ZU; and
18 (ii) the person voluntarily agrees to participate in the
19 Program using a web portal maintained by the
20 Department; and
21 (c) the Secretary agrees, in writing, to the person’s participation
22 in the Program;
23 then:
24 (d) on the day the person becomes a bonded participant, the
25 person’s deed of agreement ceases; and
26 (e) on and after that day, the person is subject to the provisions
27 of this Part.
- 28 (2) For the purposes of paragraph (1)(e):
29 (a) the 3 year return of service obligation period is to be reduced
30 by prior service completed in accordance with the provisions
31 of the person’s deed of agreement; and
32 (b) if the person entered into the deed of agreement during the
33 period beginning on 1 January 2016 and ending on
34 31 December 2019, then, for the purposes of section 124ZF,
35 a reference to “3 years” is to be read as a reference to “12
36 months”; and
-

-
- 1 (c) paragraph 124ZG(1)(a) applies only if the person has not, on
2 the day the person becomes a bonded participant, completed
3 their course of study in medicine at an Australian university.

4 **124ZW Effect of opting in to the Bonded Medical Program—MRBS**
5 **participants**

6 (1) If:

- 7 (a) a person is a party to a contract with the Commonwealth (as
8 represented by the Department) for a Medical Rural Bonded
9 Scholarship (an *MRBS participant*), including a contract as
10 varied; and
11 (b) the person advises the Department, in writing, that:
12 (i) the person wishes to opt in to the Bonded Medical
13 Program, as mentioned in section 124ZU; and
14 (ii) the person voluntarily agrees to participate in the
15 Program using a web portal maintained by the
16 Department; and
17 (c) the Secretary agrees, in writing, to the person's participation
18 in the Program;

19 then:

- 20 (d) on the day the person becomes a bonded participant, the
21 person's contract ceases; and
22 (e) on and after that day, the person is subject to the provisions
23 of this Part.

24 (2) For the purposes of paragraph (1)(e):

- 25 (a) the 3 year return of service obligation period is to be reduced
26 by prior service completed in accordance with the provisions
27 of the person's contract; and
28 (b) for the purposes of subparagraph 124ZH(2)(b)(i), the
29 Commonwealth funded scholarship provided to the person is
30 the scholarship amounts (as defined by the contract) paid to
31 the person by the Commonwealth under the contract; and
32 (c) paragraph 124ZG(1)(a) applies only if the person has not, on
33 the day the person becomes a bonded participant, completed
34 their course of study in medicine at an Australian university.

