

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Health

Private Health Insurance Act 2007

Private Health Insurance (Prostheses) Amendment Rules 2012 (No. 3)

Authority

Section 333-20 of the *Private Health Insurance Act 2007* (the Act) provides that the Minister may make *Private Health Insurance (Prostheses) Rules*, providing for matters required or permitted by Part 3-3 of the Act, or necessary or convenient in order to carry out or give effect to Part 3-3 of the Act.

Purpose

The purpose of the *Private Health Insurance (Prostheses) Amendment Rules 2012 (No. 3)* (Amendment Rules) is to amend Part A of the Schedule to the *Private Health Insurance (Prostheses) Rules 2012 (No. 2)* (Principal Rules) by:

- Correcting eleven items that were not correctly transferred between sponsors;
- Deleting two items that should have been removed;
- Adding one item that was incorrectly removed; and
- Correcting one benefit amount.

The Amendment Rules commence immediately after the commencement of the Principal Rules. As such, the errors made in the Principal Rules, which are being remedied in the Amendment Rules, will not cause any disadvantage.

Background

Item 4 of the table in subsection 72-1(2) of Part 3-3 of the Act provides for requirements that a complying health insurance policy that covers hospital treatment must meet. There must be a benefit for the provision of a prosthesis, of a kind listed in the *Private Health Insurance (Prostheses) Rules* (i.e. a listed prosthesis), in specified circumstances and under any specified conditions. The specified circumstances are that the listed prosthesis is provided in circumstances in which a Medicare benefit is payable or those other circumstances which are set out in the *Private Health Insurance (Prostheses) Rules*.

If the complying health insurance policy also covers hospital-substitute treatment, the same requirements apply.

The Schedule to the Principal Rules has three parts:

- Part A – Prostheses; and
- Part B – Human Tissue List;
- Part C – Other Prostheses.

Consultation

In accordance with section 17 of the *Legislative Instruments Act 2003*, the Department consulted with the Sponsors of each prosthesis affected by these amendments. There are no objections to the amendments. The Department has received a standing Regulatory Impact Statement exemption from the Department of Finance and Deregulation.

Details

The Schedule to the Amendment Rules amends the Schedule – Part A – Prostheses List – August 2012, to the Principle Rules. Details of the Amendment Rules are set out in the Attachment to this explanatory statement.

The Amendment Rules commence immediately after the commencement of the Principal Rules and amend the Schedule to the Principal Rules and are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Authority: Section 333-20 of the
Private Health Insurance Act 2007

ATTACHMENT

DETAILS OF THE *PRIVATE HEALTH INSURANCE (PROSTHESES) AMENDMENT RULES 2012 (No. 3)*

Part 1 Preliminary

Section 1 Name of Rules

Section 1 provides that the title of the Rules is the *Private Health Insurance (Prostheses) Amendment Rules 2012 (No. 3)*.

Section 2 Commencement

Section 2 provides for the Rules to commence immediately after the commencement of the Principal Rules.

Section 3 Amendment of *Private Health Insurance (Prostheses) Rules 2012 (No. 2)*

Section 3 provides that the Schedule to the Amendment Rules amends the *Private Health Insurance (Prostheses) Rules 2012 (No. 2)*, which commence on 30 August 2012.

Schedule – Amendments

Item 1- Schedule - Part A- Prostheses List – August 2012

Item 1 provides for the amendments to the Schedule to the Principal Rules. The following amendments have been made due to administrative/drafting errors made in the Principal Rules commencing on 30 August 2012.

The reasons for the items listed in the Schedule to the Amendment Rules are provided below.

Items 1.2, 1.5, 1.7, 1.9, 1.12, 1.13, 1.14, 1.16, 1.18, 1.20, 1.22, 1.24, 1.26.

Administrative/Drafting errors. Billing codes SJ288, NI159, NI160, NI161, NI162, NI163, NI164, NI165, NI166, NI167, NI168, AC081, were created in error.

Items 1.1, 1.6, 1.8, 1.10, 1.11, 1.15, 1.17, 1.19, 1.21, 1.23, 1.25, 1.27.

Administrative/Drafting errors. The creation of Billing codes AC082, NK006, NK007, NK008, NK009, NK010, NK011, NK012, NK013, NK014, NK015, SJ288, to replace the codes that were created in error.

Items 1.3 and 1.4.

Administrative/Drafting errors. Correct the benefit amount for Billing code GO007.

Items 1.28 and 1.29

Administrative/Drafting errors. Deletion of Billing codes SP052 and SP051 that should have been deleted.

Items 1.30

Administrative/Drafting errors. Insert Billing code SY249 that was incorrectly deleted.

PRIVATE HEALTH INSURANCE BRANCH
DEPARTMENT OF HEALTH AND AGEING
AUGUST 2012.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Private Health Insurance (Prostheses) Amendment Rules 2012 (No. 3)

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The *Private Health Insurance (Prostheses) Amendment Rules 2012 (No. 3)* amend Part A of the Schedule to the *Private Health Insurance (Prostheses) Rules 2012 (No. 2)* (Principal Rules) to correct items that were incorrectly removed when the Principal Rules were made. These include the deletion of the listing in certain items or parts of items, a transfer of items between sponsors, and the correction of typographical errors.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

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Private Health Insurance Branch

Department of Health and Ageing

August 2012