

EXPLANATORY STATEMENT

STATUTORY RULES 1987 NO 165

ISSUED BY AUTHORITY OF

THE MINISTER FOR COMMUNITY SERVICES AND HEALTH

HEALTH INSURANCE COMMISSION ACT 1973
HEALTH INSURANCE COMMISSION REGULATIONS (AMENDMENT)

Section 44 of the Health Insurance Commission 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.

Subsection 8E(1) of the Act provides that the Health Insurance Commission shall perform such functions in relation to health insurance as are prescribed and such functions in relation to other matters relating to health as are prescribed.

From 1 August 1987, the Health Insurance Act 1973 has made new arrangements for the payment of medicare benefit in respect of pathology services. Medicare benefit will not be payable unless a number of conditions are met, including the requirements that the person rendering the pathology service has had an undertaking as to his or her conduct accepted by the Minister for Health, and that the person or persons who own the pathology laboratory where the service was rendered have also had an undertaking as to conduct accepted by the Minister.

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The Health Insurance Act has also imposed stricter penalties for a number of offences, including the breach of an undertaking as to conduct, the rendering of excessive pathology services and the making of false claims for medicare benefit. In respect of those matters, the Health Insurance Act empowers the Minister and the Medicare Participation Review Committee to take action against a person involved. This action will range from counselling to the removal of the person from access to the payment of medicare benefit.

The Health Insurance Commission Regulations (Amendment) prescribe a number of functions to be performed by the Health Insurance Commission so that the Commission may assist the Minister and the Medicare Participation Review Committee in pursuance of these new arrangements. The Commission will investigate and process applications for the acceptance of undertakings, and will monitor compliance with those undertakings after they have been accepted. The Commission will investigate the rendering of excessive pathology services, and will initiate further action against persons who are reasonably suspected of such an offence. The Commission will assist the Minister and the Medicare Participation Review Committee to take disciplinary action by undertaking investigations and by providing information and recommendations. The Commission will also perform a number of minor administrative functions related to clerical assistance, the distribution and handling of application forms and other documents and the processing of application fees.

Regulation 1 provides for the regulations to come into operation on 1 August 1987.