

EXPLANATORY STATEMENT

MRCA Treatment Principles (Removal of Prior Approval under the Rehabilitation Appliances Program) Instrument 2007 (Instrument No. M20/2007)

EMPOWERING PROVISION

Section 286 of the *Military Rehabilitation and Compensation Act 2004* (the Act).

PURPOSE

To vary the *MRCA Treatment Principles* (the Principles) to remove the requirement for prior approval to apply to all rehabilitation appliances under the Rehabilitation Appliances Program (RAP program). It is intended that the “prior approval requirement” will now only apply to specific appliances.

The Principles are made under section 286 of the Act and set out the circumstances in which the Military Rehabilitation and Compensation Commission (the Commission) may accept financial liability for treatment provided to entitled persons.

Part 11 of the Principles sets out circumstances in which the Commission may approve the provision of rehabilitation appliances under the RAP program.

Currently, Principle 11. 2. 2 provides that, subject to certain exceptions, the Commission will not be financially responsible for the supply of a rehabilitation appliance unless prior approval is granted.

The concept of “prior approval” is that a prescriber must first obtain the approval of the Commission before an appliance can be supplied to an entitled person under the Principles. However, this requirement is cumbersome and costly to apply.

The *RAP National Schedule of Equipment* (the Schedule) and the *Rehabilitation Appliances Program (RAP) National Guidelines* (the Guidelines) list the rehabilitation appliances that are available to entitled persons under the Principles. The Schedule and the Guidelines identify those appliances that are subject to prior approval by the Commission.

The attached instrument removes from the Principles the blanket requirement for the Commission's prior approval for the supply, alteration, replacement or repair of a rehabilitation appliance. The prior approval of the Commission in these instances will only need to be obtained where the Principles or the Schedule or Guidelines specifically requires it.

Where the Commission's prior approval is required, it cannot accept financial responsibility in relation to a rehabilitation appliance unless it has granted that approval.

RETROSPECTIVITY

None. The Instrument commences on the day after it is registered on the Federal Register of Legislative Instruments.

DOCUMENTS INCORPORATED BY REFERENCE

- *The RAP National Schedule of Equipment*

http://www.dva.gov.au/health/rap/rap_index.htm

- *The Rehabilitation Appliances Program (RAP) National Guidelines*

http://www.dva.gov.au/health/rap/rap_index.htm

At the time the attached instrument was made all the documents were also available at:

Department of Veterans' Affairs (ACT Office), Lovett Tower, 13 Keltie St, Woden ACT 2606 / PO Box 21 Woden ACT 2606. Tel no: (02) 6289 6243.

Any State or Territory Office of the Department of Veterans' Affairs:
Tel no: 133 254

CONSULTATION

The Rule-Maker (the Military Rehabilitation and Compensation Commission) decided that consultation in respect of the attached instrument was not necessary because the amendments are technical in nature and are being made for administrative efficiency.

Further, the instrument is beneficial in nature in that in many cases a prescriber will no longer need to seek the Commission's prior approval before providing an appliance to an entitled person which could mean that appliances can be provided to entitled persons more quickly.

FURTHER DETAILS

See Attachment.

Attachment

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| Paragraph [1] | sets out the name of the Instrument. |
| Paragraph [2] | provides that the Instrument commences on the day after it is registered on the Federal Register of Legislative Instruments. |
| Paragraph [3] | states that the Schedule to the Instrument varies the Principles. |

Schedule

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| Item [1] | omits and substitutes a new paragraph 3.2.1(r) of the <i>Principles</i> . This is a consequential amendment as a result of amendments being made to prior approval in new paragraph 11.2A. |
| Item [2] | omits and substitutes a new paragraph 3.2.1(t) of the <i>Principles</i> . This is a consequential amendment as a result of amendments being made to prior approval in new paragraph 11.2A. |
| Item [3] | omits paragraph 11. 2. 2 of the Principles and substitutes a new paragraph. |

New paragraph 11.2A deals with prior approval and provides that where the Commission's prior approval is required under Part 11 of the Principles or under the Schedule or the Guidelines for the supply, alteration, replacement or repair of a rehabilitation appliance, then the Commission will not accept financial responsibility for the same unless it has granted prior approval.

A Note at the end of the paragraph provides that the Commission must take

into account the conditions set out in paragraph 3.2.2 of the Principles when considering whether to grant prior approval.