

## **EXPLANATORY STATEMENT**

### **Select Legislative Instrument 2009 No. 272**

#### *Health Insurance Act 1973*

#### *Health Insurance (General Medical Services Table) Regulations 2009*

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.

Part II of the Act provides for the payment of Medicare benefits for 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 set out in prescribed tables.

Subsection 4(1) of the Act provides that the regulations may prescribe a table of medical services (other than diagnostic imaging services and pathology services) that sets out items of medical services, the amount of fees applicable in respect of each item, and rules for interpretation of the table. The *Health Insurance (General Medical Services Table) Regulations 2008* (the 2008 Regulations) currently prescribe such a table.

Subsection 4(2) of the Act provides that unless repealed earlier, these Regulations will cease to be in force and will be taken to have been repealed on the day following the 15<sup>th</sup> sitting day of the House of Representatives after the end of a 12 month period beginning on the day when the regulations were registered on the Federal Register of Legislative Instruments. The 2008 Regulations were registered on the Federal Register of Legislative Instruments on 16 October 2008 and commenced on 1 November 2008.

The purpose of the Regulations is to repeal the 2008 Regulations and prescribe a new table of general medical services for the 12 month period commencing on 1 November 2009. The new table reproduces the table contained in the 2008 Regulations with some amendments to the rules of interpretation and to the schedule of services and fees.

The changes include a fee increase of 2.3 per cent for all items in the table, excluding items in Group A2 which relate to medical practitioners other than general practitioners (excepting emergency attendance after hours items), item 173 (acupuncture), Group A19 (Practice Incentive Payments other than non-referral). These items are not increased for the following reasons:

- Group A2 (attendance) items and item 173 (acupuncture) are reserved for services provided by medical practitioners who are not vocationally registered, i.e. have not undertaken continuing medical education programs offered by the Royal Australian College of General Practitioners. Services provided by vocationally registered practitioners attract higher benefits.
- Group A19 items are claimed in association with payments under the Practice Incentive Payments program which aims to reward provision of comprehensive quality patient care.

The changes also include:

- fee adjustments to 14 items which reflect the time and complexity for the relevant services;
- introduction of one new item which permit payment of benefit for cataract procedures with a surgical time of 40 minutes or more;
- the introduction of two items that were provided for under *Health Insurance (Endoscopic and Endobronchial Ultrasound for Sampling and Diagnosis of Lung Cancer) Determination 2009*;
- amendments to the descriptors for two items to better define clinical practice; and
- the removal of two items.

Details of the Regulations are set out in the Attachment.

Consultation was undertaken with the Australian Society of Anaesthetists, The Royal Australian and New Zealand College of Ophthalmologists, the Australian Medical Association and Medicare Australia, and through the *COAG National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes*.

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

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulations commence on 1 November 2009.

**DETAILS OF THE HEALTH INSURANCE (GENERAL MEDICAL SERVICES TABLE) REGULATIONS 2009**

Regulation 1 – Name of Regulations

This regulation provides for the Regulations to be referred to as the *Health Insurance (General Medical Services Table) Regulations 2009*.

Regulation 2 – Commencement

This regulation provide for the Regulations to commence on 1 November 2009.

Regulation 3 – Repeal

This regulation repeals the *Health Insurance (General Medical Services Table) Regulations 2008* (the 2008 Regulations).

Regulation 4 – Definitions

This regulation provides that for the purpose of the Regulations, that *Act* means the *Health Insurance Act 1973* and *this table* means the table of general medical services set out in Schedule 1.

Regulation 5 – General medical services table

This regulation provides that the new table of general medical services (other than diagnostic imaging services and pathology services) set out in Schedule 1 is prescribed for subsection 4(1) of the Act.

Schedule 1 – Table of general medical services

Part 3 – Services and fees

The Regulations generally replicate the 2008 Regulations with the following changes:

Attendances

Item 10987 provides benefit for an Indigenous person who has received a health check performed by a practice nurse or registered Aboriginal health worker on behalf of a GP. The item is amended to increase the number of maximum services per patient in a calendar year from five to ten.

Therapeutic Procedures

Item 13015 provides benefit for hyperbaric oxygen therapy to treat soft tissue radionecrosis or chronic or recurring wounds where hypoxia can be demonstrated. The item is amended to clarify that the service to be performed is a comprehensive hyperbaric medicine facility rather than a comprehensive hyperbaric facility.

Items 30696 and 30710 are moved into the table from *Health Insurance (Endoscopic and Endobronchial Ultrasound for Sampling and Diagnosis of Lung Cancer) Determination 2009*. Item 30696 provides a service for the sampling and diagnosis of presumed or known non-small cell lung cancer or mediastinal masses. Item 30710 provides a service for the sampling and diagnosis of non-small cell lung cancer, mediastinal/hilar masses or peripheral lung lesions.

The fee for fourteen items (38215, 38218, 38220, 38222, 38225, 38228, 38231, 38234, 38237, 38240, 38246, 42698, 42701 and 42702) are reduced to a more appropriate level to reflect the time and complexity for these services.

New item 42718 permits payment of benefit for cataract procedures with a surgical procedure time of 40 minutes or more.

Items 50124 and 50125, which provide a service for joint injections, are removed from the Table, as it is more appropriate for the service to be delivered as part of a standard consultation.