

EXPLANATORY STATEMENT
ISSUED BY THE AUTHORITY OF
THE MINISTER FOR HEALTH AND AGEING
HEALTH INSURANCE ACT 1973

DECLARATION OF QUALITY ASSURANCE ACTIVITY UNDER SECTION 124X

QAA No. 1/2011

Part VC of the *Health Insurance Act 1973* (the Act) creates a scheme to encourage efficient quality assurance activities. Those activities help to ensure the quality of health services that are funded by the Government, through Medicare benefits, the Pharmaceutical Benefits Scheme, Public Hospitals and/or Health Program Grants. The scheme encourages participation in such activities by protecting certain information from disclosure, and also by providing some protection from civil liability to certain persons engaged in those activities in good faith, in respect of those activities.

In order for Part VC to apply to an activity, the Minister must make a Declaration pursuant to section 124X of the Act, that the activity described in the Declaration is a quality assurance activity to which Part VC applies. Regulations 23C to 23G of the *Health Insurance Regulations 1975* (the Regulations) set out the public interest criteria that must be met by quality assurance activities in order to be declared under the section 124X.

The purpose of the instrument Declaration of Quality Assurance Activity QAA 1/2011 is to declare the following activity a qualified privilege activity under section 124X of the Act.

This declaration under subsection 124X(1) applies Part VC of the Act to the following activity:

1. Quality Practice Accreditation Pty Ltd – Accreditation for entry into or maintenance of Practice Incentive Program (PIP).

An overview of the activity for which the Declaration pursuant to section 124X is made is contained in the [Attachment](#).

Before the Minister can make a declaration, certain requirements must be met.

Firstly, the Minister must be satisfied that the persons engaged in the activity are authorised to do so as described in paragraph 124X(3)(a) of the Act.

The activity meets the requirements of paragraph 124X(3)(a) in that the persons engaged in this activity are authorised to do so by The Royal Australasian College of General Practitioners (RACGP) which is an association of health professionals.

Secondly, paragraph 124X(3)(b) of the Act provides that the Minister must be satisfied that it is in the public interest to have Part VC of the Act apply to the activity. In doing so, the Minister must have regard to criteria prescribed by the Regulations. The criteria relevant to the activity are in regulations 23C, 23D and 23E or 23F of the Regulations.

The Activity at Item 1 meets the criteria as follows:

- As required by regulation 23C, the activity includes the disclosure of non-identifying information that concerns the quality of service assessed, evaluated or studied. Data will be published in reports and presentations for relevant stakeholders, including the Commonwealth.
- Regulation 23D does not apply as the activity will be undertaken in more than one State or Territory.
- Regulation 23E does not apply as the activity has previously been engaged in Australia.
- Regulation 23F applies as the activity has previously been carried out in Australia and is a re-declaration of activity QAA 3/2004. The Minister's re-declaration will continue to encourage full participation in the activity by persons who provide health services by providing participants with a greater degree of confidence and security that their participation is solely to the benefit of establishing and improving quality assurance.
- Regulation 23G does not apply as the activity does not include the assessment or evaluation by a person of the services, skill or performance of a health practitioner for the purpose of determining the health care practitioner's clinical practicing rights.

CONSULTATION

Consultations regarding the applications for declaration were undertaken in November 2010. This included obtaining advice on the potential value of declaring the activity as a quality assurance activity for the purposes of the Act, the methodology used to conduct the activity, and whether the application met the criteria required for declaration, in particular those criteria relating to whether it is in the public interest to declare the activity.

Those consulted included:

- Members of the Qualified Privilege Advisory Group, which includes:
 - an external clinician;
 - a legal expert;
 - a quality manager working in the field of health care quality assurance; and
 - a consumer representative.

The declaration of this activity will not result in any direct or substantial indirect effect on business.

The Declaration commences on the day after registration on the Federal Register of Legislative Instruments. This Declaration has effect from the day after registration on the Federal Register of Legislative Instruments. Subsection 124X(4) of the Act prescribes that, unless sooner revoked, this determination ceases to be in force at the end of 5 years after the instrument of declaration was signed.

The Declaration is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

QAA No. 1/2011

ATTACHMENT**OVERVIEW OF THE *DECLARATION OF QUALITY ASSURANCE ACTIVITY*
*UNDER SECTION 124X OF THE HEALTH INSURANCE ACT 1973 – QAA 1/2011*****Commencement**

This instrument commences on the day after registration on the Federal Register of Legislative Instruments. Subsection 124X(4) of the Act prescribes that, unless sooner revoked, this declaration ceases to be in force at the end of 5 years after the instrument of declaration was signed.

Schedule 1 QAA 1/2011 Declared Quality Assurance Activity

Accreditation for General Practices for entry into or maintenance of the Practice Incentive Program (PIP) will assess general medical practices against standards developed by the Royal Australian College of General Practitioners (RACGP). To be awarded accreditation a practice must meet all the mandatory indicators in the standards, which confirms that the practice is undertaking quality improvement activities that comply with the standards as determined by the profession. The accreditation process is based on a continuing quality improvement cycle, through peer surveyors assessing compliance and, where appropriate, identifying areas for improvement.

The objectives of the activity are to:

- support general practices to meet the RACGP standards, with the aim of ensuring the delivery of safe, high quality health care to patients;
- enhance and improve the level of quality of care delivered to patients of general practices throughout Australia;
- promote continued quality improvement;
- enhance practice development and efficiency; and
- provide practices with education and training against the RACGP standards.