

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Health and Ageing

Private Health Insurance Act 2007

Private Health Insurance (Levy Administration) Rules 2025

Section 333-20 of the *Private Health Insurance Act 2007* (the Act) provides that the Minister may make Private Health Insurance (Levy Administration) Rules providing for matters required or permitted by Part 6-6 of the Act, or necessary or convenient in order to carry out or give effect to Part 6-6 of the Act.

Part 6-6 of the Act deals with the collection of private health insurance levies and other matters relating to their administration. A private health insurance levy is imposed under one of the following levy Acts:

- *Private Health Insurance (Complaints Levy) Act 1995*;
- *Private Health Insurance (National Joint Replacement Register Levy) Act 2009*; and
- *Private Health Insurance (Risk Equalisation Levy) Act 2003*.

The *Private Health Insurance (Levy Administration) Rules 2025* (the Rules) commence on the day following their registration on the Federal Register of Legislation and revoke the *Private Health Insurance (Levy Administration) Rules 2015* (the Previous Rules). The Previous Rules specified the payment day and late payment penalty for the Complaints, Risk equalisation, Medical devices and human tissue products and National joint replacement levies.

The Rules differ from the Previous Rules by replacing the definitions at rule 4 and adding the definition of ‘complaints levy day’ and removing reference to the *Private Health Insurance (Complaints Levy) Act 1995* at rule 6. References to the *Private Health Insurance (Risk Equalisation Levy) Act 2003* and *Private Health Insurance (National Joint Replacement Register Levy) Act 2009* are removed from rules 7 and 8 respectively. Minor updates have also been incorporated, without altering the intent of the Rules.

Consultation

Public consultation was undertaken on the drafting of these rules.

Regulation Impact Statement

The Office of Best Practice Regulation has advised that no Regulatory Impact Statement is required.

Details of the Rules are set out in the [Attachment](#).

The Rules 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 (LEVY ADMINISTRATION) RULES 2025*

1. Name

Rule 1 provides that the title of the Rules is the Private Health Insurance (Levy Administration) Rules 2025.

2. Commencement

Rule 2 provides for the Rules to commence the day after the instrument is registered.

3. Authority

Rule 3 states that the *Private Health Insurance Act 2007* is the authority under which these Rules are made.

4. Definitions

Rule 4 notes that terms used in these Rules have the same meaning as in the *Private Health Insurance Act 2007*, and provides definitions for the terms ‘Act’, ‘complaints levy day’ and ‘listed item’.

5. Schedules

Rule 5 notes that instruments specified in a Schedule to the instrument are amended or repealed.

6. Complaints levy

Rule 6 provides that the payment day for the complaints levy is 31 December of each year.

7. Risk equalisation levy

Rule 7 provides that the payment day for the risk equalisation levy is 14 days after the risk equalisation levy day. Risk equalisation levy day is the 21st day of the second month of each quarter ending on the last day of March, June, September and December in a financial year.

8. National joint replacement register levy

Rule 8 provides that the payment day for the national joint replacement register levy is 21 days after the imposition day specified in the *Private Health Insurance (National Joint Replacement Register Levy) Rule 2015*.

9. Medical devices and human tissue products levy

Rule 9 provides that the payment day for the medical devices and human tissue products levy is 28 days after the medical device and human tissue products levy imposition day as specified by the *Private Health Insurance (Medical Devices and Human Tissue Products Levy) Rules 2025*.

10. Rate of late payment penalty

Rule 10 specifies, for the purposes of paragraph 307-5(2)(a) of the Act, the rate of late payment penalty as 15% per year.

SCHEDULE 1 - Repeals

1. The whole of the instrument

Schedule 1 repeals the *Private Health Insurance (Levy Administration) Rules 2015*.

Statement of Compatibility with Human Rights

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

Private Health Insurance (Levy Administration) Rules 2025

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 (Levy Administration) Rules 2025* (the Rules) revoke and replace the *Private Health Insurance (Levy Administration) Rules 2015* (the Previous Rules) to replace the definitions at rule 4 and add the definition of ‘complaints levy day’ and remove reference to the *Private Health Insurance (Complaints Levy) Act 1995* at rule 6. References to the *Private Health Insurance (Risk Equalisation Levy) Act 2003* and *Private Health Insurance (National Joint Replacement Register Levy) Act 2009* have also been removed from rules 7 and 8 respectively. Minor updates were incorporated, without altering the intent of the Rules.

Public consultation was undertaken on the drafting of these rules.

Human rights implications

This legislative instrument engages Articles 2 and 12 of the International Covenant on Economic, Social and Cultural Rights by assisting with the progressive realisation by all appropriate means of the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.

Private health insurance regulation assists with the advancement of these human rights by improving the governing framework for private health insurance in the interests of consumers. Private health insurance regulation aims to encourage insurers and providers of private health goods and services to provide better value for money to consumers, to improve information provided to consumers of private health services to allow consumers to make more informed choices when purchasing services and requires insurers not to differentiate the premiums they charge according to individual health characteristics such as poor health.

Conclusion

This legislative instrument is compatible with human rights because it advances the protection of human rights.

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