

2004-2005-2006

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

**Private Health Insurance (Transitional  
Provisions and Consequential  
Amendments) Bill 2006**

**No.      , 2006**

*(Health and Ageing)*

**A Bill for an Act to provide for transitional  
matters, and make consequential amendments,  
relating to the enactment of the *Private Health  
Insurance Act 2006*, and for related purposes**

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1     **A Bill for an Act to provide for transitional**  
2     **matters, and make consequential amendments,**  
3     **relating to the enactment of the *Private Health***  
4     ***Insurance Act 2006*, and for related purposes**

5     The Parliament of Australia enacts:

6     **Part 1—Preliminary**  
7

8     **1 Short title**

9                     This Act may be cited as the *Private Health Insurance*  
10                    (*Transitional Provisions and Consequential Amendments*) Act  
11                    2006.

Section 2

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	
2. Sections 4 to 56	At the same time as the <i>Private Health Insurance Act 2006</i> commences.	1 April 2007
3. Schedule 1, items 1 to 61	At the same time as the <i>Private Health Insurance Act 2006</i> commences.	1 April 2007
4. Schedule 1, item 62	1 July 2008.	1 July 2008
5. Schedule 2, item 1	At the same time as the <i>Private Health Insurance Act 2006</i> commences.	1 April 2007
6. Schedule 2, item 2	1 July 2008.	1 July 2008
7. Schedule 2, items 3 to 108	At the same time as the <i>Private Health Insurance Act 2006</i> commences.	1 April 2007
8. Schedule 3, items 1 and 2	1 July 2007.	1 July 2007
9. Schedule 3, item 3	1 July 2008.	1 July 2008
10. Schedule 3, items 4 to 8	1 July 2007.	1 July 2007
11. Schedule 3, item 9	1 July 2008.	1 July 2008
12. Schedule 3, items 10 to 16	At the same time as the <i>Private Health Insurance Act 2006</i> commences.	1 April 2007

## Section 3

1 Note: This table relates only to the provisions of this Act as originally  
 2 passed by both Houses of the Parliament and assented to. It will not be  
 3 expanded to deal with provisions inserted in this Act after assent.

4 (2) Column 3 of the table contains additional information that is not  
 5 part of this Act. Information in this column may be added to or  
 6 edited in any published version of this Act.

### 7 3 Schedule(s)

8 Each Act that is specified in a Schedule to this Act is amended or  
 9 repealed as set out in the applicable items in the Schedule  
 10 concerned, and any other item in a Schedule to this Act has effect  
 11 according to its terms.

### 12 4 Definitions

13 In this Act:

14 ***ancillary health benefits*** means ancillary health benefits within the  
 15 meaning of section 67 the *National Health Act 1953* as in force  
 16 immediately before the commencement time.

17 ***applicable benefits arrangement*** means an applicable benefits  
 18 arrangement within the meaning of the *National Health Act 1953*  
 19 as in force immediately before the commencement time.

20 ***commencement time*** means the time when the *Private Health*  
 21 *Insurance Act 2006* commences.

22 ***complying health insurance policy*** has the meaning given by the  
 23 new Act.

24 ***contributor*** means a contributor within the meaning of the  
 25 *National Health Act 1953* as in force immediately before the  
 26 commencement time.

27 ***Council*** has the meaning given by the new Act.

28 ***fund*** has the meaning given in section 82Q of the *National Health*  
 29 *Act 1953* as in force immediately before the commencement time.

30 ***new Act*** means the *Private Health Insurance Act 2006*.



**Part 1** Preliminary

Section 4

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1                    **registered organization** means an organization that was registered  
2                    under Part VI of the *National Health Act 1953* as in force  
3                    immediately before the commencement time.

**Part 2—Transitional provisions relating to  
Chapter 2 of the new Act**

**Division 1—Premiums reduction and incentive payment  
schemes**

**5 Application of Part 2-2 of the new Act**

Part 2-2 of the new Act applies in relation to financial years beginning on or after 1 July 2007.

Note: The *Private Health Insurance Incentives Act 1998* is amended by this Act so that it applies only to financial years ending on or before 30 June 2007. The Act will be repealed on 30 June 2008. (See Schedules 1 and 3.)

**6 Application of the *Private Health Insurance Incentives Act 1998*  
from the commencement time to repeal**

- (1) During the period beginning at the commencement time and ending at the time at which the *Private Health Insurance Incentives Act 1998* (the **1998 Act**) is repealed, a reference in the 1998 Act to a matter specified for an item in column 2 of the table is taken to be a reference to the matter specified for that item in column 3 of the table.

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**Operation of the 1998 Act between commencement time and repeal**

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<b>Item</b>	<b>A reference in the 1998 Act to ...</b>	<b>is taken to be a reference to ...</b>
1	ancillary cover	cover for general treatment within the meaning of the new Act.
2	appropriate private health insurance policy	(a) a complying health insurance policy; or (b) if the reference is in section 4-12 or 12-7 of the 1998 Act—a complying health insurance policy or an appropriate private health insurance policy within the meaning of the 1998 Act.

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**Part 2** Transitional provisions relating to Chapter 2 of the new Act

**Division 1** Premiums reduction and incentive payment schemes

Section 7

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**Operation of the 1998 Act between commencement time and repeal**

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<b>Item</b>	<b>A reference in the 1998 Act to ...</b>	<b>is taken to be a reference to ...</b>
3	dependent child	(a) a dependent child within the meaning of the new Act; or (b) if the reference is in section 4-12 or 12-7 of the 1998 Act—a dependent child within the meaning of the 1998 Act or a dependent child within the meaning of the new Act.
4	health fund	a private health insurer.
5	hospital cover	hospital cover within the meaning of the new Act.

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- 2 (2) Subsection (1) also applies in relation to a provision of the 1998  
3 Act that continues to operate after the repeal of that Act because of:  
4 (a) this Part; or  
5 (b) section 8 of the *Acts Interpretation Act 1901*.

6 **7 Continued application of section 11-50 of the *Private Health***  
7 ***Insurance Incentives Act 1998***

- 8 (1) Section 11-50 of the *Private Health Insurance Incentives Act 1998*  
9 continues to apply, after 30 June 2008, to a private health insurer to  
10 whom an application was made under section 11-50 of that Act, as  
11 if it had not been repealed.
- 12 (2) The Medicare Australia CEO may continue to approve forms under  
13 section 11-50 for the purposes of subsection (1).

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2 **Division 2—Lifetime health cover**

3 **8 Application of Part 2-3 of the new Act**

4 (1) Part 2-3 of the new Act applies to an amount of premiums worked  
5 out on or after the commencement time.

6 (2) Schedule 2 to the *National Health Act 1953* continues to apply in  
7 relation to any amount of premiums worked out before the  
8 commencement time.

9 **9 Calculating 10 years' continuous cover under section 34-10 of the**  
10 **new Act**

11 For the purposes of paragraph 34-10(1)(b) of the new Act:

12 (a) the reference to permitted days without cover includes a  
13 reference to days before the commencement time that were  
14 permitted days without hospital cover within the meaning of  
15 Schedule 2 to the *National Health Act 1953* as in force before  
16 the commencement time; and

17 (b) the reference to periods during which the adult was taken to  
18 have had hospital cover includes periods during which the  
19 adult was taken to have had hospital cover under subclause  
20 4(2) of that Schedule.

Section 10

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2 **Part 3—Transitional provisions relating to**  
3 **complying health insurance products**  
4

5 **10 Status of existing applicable benefits arrangements and tables of**  
6 **ancillary benefits**

7 *Applicable benefits arrangements*

- 8 (1) If, immediately before the commencement time, contributors to a  
9 health benefits fund conducted by a registered organization were  
10 covered by an applicable benefits arrangement of the organization,  
11 then:  
12 (a) at the commencement time, the arrangement is, to the extent  
13 to which it covered a particular contributor and his or her  
14 dependants (if any), taken to be a complying health insurance  
15 policy under which that contributor and those dependants (if  
16 any) are insured; and  
17 (b) that part of the arrangement continues to be taken to be a  
18 complying health insurance policy until the earlier of:  
19 (i) 1 July 2008; and  
20 (ii) the day on which a relevant change (see subsection (3))  
21 to that part of the arrangement takes effect.

22 *Tables of ancillary benefits*

- 23 (2) If, immediately before the commencement time, contributors to a  
24 health benefits fund conducted by a registered organization were  
25 covered by a table of ancillary health benefits of the organization,  
26 then:  
27 (a) at the commencement time, the table is, to the extent to  
28 which it covered a particular contributor and his or her  
29 dependants (if any), taken to be a complying health insurance  
30 policy under which that contributor and those dependants (if  
31 any) are insured; and  
32 (b) that part of the table continues to be taken to be a complying  
33 health insurance policy until the earlier of:

- 1 (i) 1 July 2008; and  
2 (ii) the day on which a relevant change (see subsection (3))  
3 to that part of the table takes effect.

4 *Relevant change*

- 5 (3) If, after the commencement time, a private health insurer makes a  
6 change to its rules, or to anything else, in a way that affects:  
7 (a) the amount of premiums payable under an arrangement or  
8 table that is taken to be a complying health insurance policy  
9 because of subsection (1) or (2); or  
10 (b) the treatments covered by such a policy; or  
11 (c) a benefit for treatment covered by such a policy;  
12 the change is a *relevant change* to each part of the arrangement or  
13 table.

14 **11 Premium requirement**

- 15 An insurance policy is taken to meet the premium requirement in  
16 section 66-5 of the new Act if:  
17 (a) the policy was taken to be a complying health insurance  
18 policy because of section 10; and  
19 (b) at the end of a day, the policy ceases to be taken to be a  
20 complying health insurance policy; and  
21 (c) at the start of the next day, the policy would be a complying  
22 health insurance policy except that it does not meet the  
23 premium requirement in section 66-5 of the new Act; and  
24 (d) the amount of premiums payable under the policy for the  
25 period starting on that day is the same as the amount that  
26 would have been payable under the policy for the same  
27 period if it had started on the previous day.

28 **12 Benefit requirements: listing of no gap and gap permitted**  
29 **prostheses**

- 30 (1) If, immediately before the commencement of the new Act, a  
31 prosthesis was:  
32 (a) a no gap prosthesis; or  
33 (b) a gap permitted prosthesis;
-

## Section 13

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1 for the purposes of the *National Health Act 1953*, the Minister may  
2 list the prosthesis in Private Health Insurance (Prostheses) Rules  
3 made for the purposes of item 4 of the table in subsection 72-1(2)  
4 of the new Act, without an application being made in relation to  
5 the prosthesis under subsection 72-10(2) of the new Act.

6 (2) If the Minister does so, the person who, immediately before the  
7 commencement of the new Act, was the sponsor of the prosthesis  
8 for the purposes of the *National Health Act 1953*, is taken to be the  
9 applicant in relation to the prosthesis for the purposes of paying the  
10 ongoing listing fee in relation to the prosthesis in accordance with  
11 section 72-15 of the new Act.

### 12 **13 Waiting periods**

13 A waiting period, or part of a waiting period, that a private health  
14 insurer purports to impose on a person under a complying health  
15 insurance policy has no effect if:

- 16 (a) the policy was, before the commencement time, part of an  
17 applicable benefits arrangement or table of ancillary health  
18 benefits that covered the person; and  
19 (b) the person had already served the waiting period, or that part  
20 of the waiting period, under the arrangement or table  
21 (including under the arrangement or table as in force after the  
22 commencement time).

### 23 **14 Quality assurance requirements**

24 The quality assurance requirements in Division 81 of the new Act  
25 do not apply in relation to an insurance policy until 1 July 2008.

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## **Part 4—Transitional provisions relating to Chapter 4 of the new Act**

### **Division 1—Carrying on health insurance business**

#### **15 Hospitals**

- (1) The following are taken to be hospitals for the purposes of the new Act:
- (a) a facility that was a recognized hospital, within the meaning of the *Health Insurance Act 1973*, immediately before the commencement time;
  - (b) premises in relation to which a declaration by the Minister under section 23EA of that Act was in force immediately before the commencement time;
  - (c) a facility in relation to which a declaration by the Minister under the definition of *hospital* in subsection 3(1) of that Act was in force immediately before the commencement time;
  - (d) premises that were a day hospital facility, within the meaning of the *National Health Act 1953*, immediately before the commencement time.
- (2) A facility to which paragraph (1)(a) or (c) applies is taken, for all purposes, to be the subject of a statement under subsection 121-5(8) of the new Act that it is a public hospital.
- (3) Premises to which paragraph (1)(b) or (d) applies are taken, for all purposes, to be the subject of a statement under subsection 121-5(8) of the new Act that they are a private hospital.
- (4) However, this section ceases to apply to a particular facility or premises:
- (a) if the Minister makes a declaration under paragraph 121-5(6)(a) of the new Act in relation to the facility or premises; or
  - (b) the Minister revokes under subsection (5), (6), (7) or (8) of this section a declaration relating to the facility or premises



**Section 16**

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- 1                                   that was in force immediately before the commencement  
2                                   time; or  
3                                   (c) on 1 July 2008;  
4                                   whichever happens first.
- 5                   (5) Despite the repeal of paragraphs (b) and (c) of the definition of  
6                   *recognized hospital* in subsection 3(1) of the *Health Insurance Act*  
7                   1973 by this Act, the Minister may, by legislative instrument,  
8                   revoke a declaration under either of those paragraphs that was in  
9                   force immediately before the commencement time.
- 10                  (6) Despite the repeal of section 23EA of the *Health Insurance Act*  
11                  1973 by this Act, the Minister may, by legislative instrument,  
12                  revoke a declaration under that section that was in force  
13                  immediately before the commencement time.
- 14                  (7) Despite the repeal and substitution of the definition of *hospital* in  
15                  subsection 3(1) of the *Health Insurance Act 1973* by this Act, the  
16                  Minister may, by legislative instrument, revoke a declaration under  
17                  that definition that was in force immediately before the  
18                  commencement time.
- 19                  (8) Despite the repeal of section 5B of the *National Health Act 1953*  
20                  by this Act, the Minister may, by legislative instrument, revoke a  
21                  declaration under that section that was in force immediately before  
22                  the commencement time.

**16 Hospital treatment—outreach services**

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- 24                  (1) The provision of a service is taken to be hospital treatment for the  
25                  purposes of the new Act if, immediately before the commencement  
26                  time, the service was an outreach service within the meaning of the  
27                  *National Health Act 1953*.
- 28                  (2) However, this section ceases to apply to a particular service:  
29                          (a) if the Minister revokes under subsection (3) of this section  
30                          the determination under section 5D of the *National Health*  
31                          *Act 1953* by virtue of which the service was, immediately  
32                          before the commencement time, an outreach service within  
33                          the meaning of the *National Health Act 1953*; or  
34                          (b) on 1 July 2008;
-

1                   whichever happens first.

2                   (3) Despite the repeal of section 5D of the *National Health Act 1953*  
3                   by this Act, the Minister may, by legislative instrument, revoke a  
4                   determination of the kind referred to in paragraph (2)(a) of this  
5                   section.

6                   **17 Employee health benefits schemes**

7                   (1) An arrangement is not an employee health benefits scheme for the  
8                   purposes of the new Act if:

9                   (a) a declaration by the Minister under the definition of  
10                  *employee health benefits scheme* in subsection 67(4) of the  
11                  *National Health Act 1953* was in force immediately before  
12                  the commencement time; and

13                  (b) the declaration has not been revoked under subsection (2) of  
14                  this section.

15                  (2) Despite the repeal of section 67 of the *National Health Act 1953* by  
16                  this Act, the Minister may, by legislative instrument, revoke a  
17                  declaration of the kind referred to in paragraph (1)(a) of this  
18                  section.

Section 18

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2 **Division 2—Registration**

3 **18 Registered organizations taken to be private health insurers**

4 (1) An organisation that was a registered organization immediately  
5 before the commencement time is taken, for the purposes of the  
6 new Act, to be a private health insurer.

7 (2) However, subsection (1) ceases to apply to the organisation:  
8 (a) if the organisation is registered under Part 4-3 of the new  
9 Act; or  
10 (b) on 1 July 2008;  
11 whichever happens first.

12 (3) To avoid doubt, section 126-45 of the new Act applies to the  
13 organisation in the same way as it applies to a body that is  
14 registered under Part 4-3 of the new Act.

15 **19 Registered organizations established for profit**

16 (1) An organisation that:  
17 (a) was a registered organization immediately before the  
18 commencement time; and  
19 (b) was at that time conducted for profit;  
20 is taken, for the purposes of the new Act, on the commencement  
21 time to be registered as a for profit insurer.

22 (2) Subsection (1) does not prevent the organisation from ceasing to be  
23 registered as a for profit insurer after the commencement time.

24 **20 Restricted membership organizations**

25 (1) An organisation that, immediately before the commencement time:  
26 (a) was a registered organization; and  
27 (b) was a restricted membership organization within the meaning  
28 of the *National Health Act 1953*;  
29 is taken, for the purposes of the new Act, on the commencement  
30 time to be registered as a restricted access insurer.

Section 20

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- 1 (2) Subsection (1) does not prevent the organisation from ceasing to be  
2 registered as a restricted access insurer after the commencement  
3 time.

Section 21

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2 **Division 3—Health benefits funds**

3 **21 Existing health benefits funds**

4 To avoid doubt, a fund that was conducted by a registered  
5 organization immediately before the commencement time is taken  
6 after the commencement time to be a health benefits fund within  
7 the meaning of the new Act.

8 **22 Applications for approval of mergers**

9 If:

10 (a) before the commencement time, an application was made to  
11 the Council under section 82ZP of the *National Health Act*  
12 *1953* for approval of the transfer of the business of one or  
13 more funds; and

14 (b) as at the commencement time, the Council had not decided  
15 the application;

16 the application is taken, after the commencement time, to be an  
17 application to the Council under section 146-5 of the new Act for  
18 approval of the transfer.

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**Part 5—Transitional provisions relating to  
Chapter 5 of the new Act**

**Division 1—General enforcement methods**

**23 Continued application of Division 5 of Part VI of the *National Health Act 1953***

- (1) Despite the repeal of Division 5 of Part VI of the *National Health Act 1953* (the *old enforcement provisions*) by this Act, the old enforcement provisions continue to apply after the commencement time, to the exclusion of Part 5-2 of the new Act, in relation to:
- (a) a breach of the Act, within the meaning of the old enforcement provisions, that occurred before the commencement time; and
  - (b) any other matter in respect of which the Minister had begun to take action under the old enforcement provisions before the commencement time.
- (2) If a direction given, or an enforceable undertaking accepted, under the old enforcement provisions was in force at the time the new Act commenced:
- (a) the direction or undertaking continues in force after the commencement time as if the old enforcement provisions had not been repealed; and
  - (b) the old enforcement provisions continue to apply in relation to any breach of that direction or undertaking.

Section 24

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**Division 2—Enforcement of health benefits fund requirements**

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**24 Investigations into affairs of registered organizations**

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(1) If:

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(a) before the commencement time, a person was appointed as an inspector under section 82R of the *National Health Act 1953* to investigate the affairs of a registered organization; and

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(b) either:

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(i) the Minister appointed the person; or

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(ii) the Council appointed the person because it suspected the matter referred to in paragraph 82R(1)(c) of that Act; and

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(c) at the commencement time, the investigation (including the performance of functions and exercise of powers by that person or by the Minister or Council in relation to the investigation) has not concluded;

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then, despite the repeal of Part VIA of that Act by this Act, that Part continues to apply after the repeal in relation to the investigation, and the performance of functions and exercise of powers by that person or by the Minister or Council in relation to the investigation, as if the repeal had not occurred.

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(2) If:

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(a) before the commencement time, the Council appointed a person as an inspector under section 82R of the *National Health Act 1953* to investigate the affairs of a registered organization; and

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(b) the Council did not appoint the person because it suspected the matter referred to in paragraph 82R(1)(c) of that Act; and

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(c) at the commencement time, the investigation (including the performance of functions and exercise of powers by that person or by the Council in relation to the investigation) has not concluded;

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1 then Division 214 of the new Act applies in relation to the  
2 investigation, and the performance of functions and exercise of  
3 powers by that person or by the Council in relation to the  
4 investigation, as if the person had been appointed under  
5 section 214-1 of the new Act.

## 6 **25 Administration of funds and registered organizations**

7 If:

- 8 (a) before the commencement time, a person was appointed  
9 under section 82XD of the *National Health Act 1953* as the  
10 administrator of a fund or of a registered organization; and  
11 (b) at the commencement time, the administration of the fund or  
12 organization (including the performance of functions and  
13 exercise of powers by that person or by the Council in  
14 relation to the administration) has not concluded;

15 then, despite the repeal of Part VIA of that Act by this Act, that  
16 Part continues to apply after the repeal in relation to the  
17 administration, and the performance of functions and exercise of  
18 powers by that person or by the Council in relation to the  
19 administration, as if the repeal had not occurred.

## 20 **26 Winding up of funds and registered organizations**

21 If:

- 22 (a) before the commencement time:
- 23 (i) the Federal Court of Australia made an order for the  
24 winding up of a fund on an application made under  
25 section 82YO or 82YP of the *National Health Act 1953*;  
26 or  
27 (ii) under paragraph 82YH(1)(c) of that Act, the Council  
28 approved the winding up of a fund; or  
29 (iii) the Federal Court of Australia made an order for the  
30 winding up of a registered organization on an  
31 application made under section 82YT or 82YU of the  
32 *National Health Act 1953*; or  
33 (iv) under paragraph 82YL(1)(c) of that Act, the Council  
34 approved a special resolution of the members of a



**Part 5** Transitional provisions relating to Chapter 5 of the new Act

**Division 2** Enforcement of health benefits fund requirements

**Section 26**

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1 registered organization that it should be voluntarily  
2 wound up; and  
3 (b) at the commencement time, the winding up of the fund or  
4 organization (including the performance of functions and  
5 exercise of powers by the liquidator or by the Council in  
6 relation to the winding up) has not concluded;  
7 then, despite the repeal of Part VIA of that Act by this Act, that  
8 Part continues to apply after the repeal in relation to the winding  
9 up, and the performance of functions and exercise of powers by  
10 that person or by the Council in relation to the winding up, as if the  
11 repeal had not occurred.

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2 **Part 6—Transitional provisions relating to**  
3 **Chapter 6 of the new Act**

3

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**Division 1—Private Health Insurance Ombudsman**

5

**Subdivision A—Preliminary**

6

**27 Definitions**

7

(1) In this Division:

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*acquisition* of property has the same meaning as in paragraph  
9 51(xxxi) of the Constitution.

9

10

*amend* includes repeal and remake.

11

*asset* means:

12

(a) any legal or equitable estate or interest in real or personal  
13 property, whether actual, contingent or prospective; and

13

14

(b) any right, power, privilege or immunity, whether actual,  
15 contingent or prospective.

15

16

*assets official*, in relation to an asset other than land, means the  
17 person or authority who, under a law of the Commonwealth, a  
18 State or a Territory, under a trust instrument or otherwise, has  
19 responsibility for keeping a register in relation to assets of the kind  
20 concerned.

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*financial liability* means a liability to pay a person an amount,  
22 where the amount, or the method for working out the amount, has  
23 been determined.

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*instrument*:

25

(a) includes:

26

(i) a contract, deed, undertaking or agreement; and

27

(ii) a notice, authority, order or instruction; and

28

(iii) an instrument made under an Act or regulations; and

29

(iv) regulations; but

**Section 28**

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- 1 (b) does not include an Act.
- 2 *just terms* has the same meaning as in paragraph 51(xxxi) of the  
3 Constitution.
- 4 *land* means any legal or equitable estate or interest in real property,  
5 whether actual, contingent or prospective.
- 6 *land registration official*, in relation to land, means the Registrar  
7 of Titles or other proper officer of the State or Territory in which  
8 the land is situated.
- 9 *liability* means any liability, duty or obligation, whether actual,  
10 contingent or prospective.
- 11 *new Ombudsman* means the Statutory Agency of the Private  
12 Health Insurance Ombudsman established by the new Act.
- 13 *old Ombudsman* means the corporation known as the Private  
14 Health Insurance Ombudsman established by the *National Health*  
15 *Act 1953*.
- 16 *Private Health Insurance Ombudsman* means the statutory office  
17 holder appointed, or taken to be appointed, under the new Act.
- 18 (2) Subject to subsection (1), an expression used in this Division that is  
19 also used in the new Act has the same meaning in this Division as  
20 it has in the new Act.

21 **Subdivision B—Assets, liabilities and legal proceedings**

22 **28 Vesting of assets of old Ombudsman**

- 23 (1) This section applies to the assets of the old Ombudsman  
24 immediately before the commencement time.
- 25 (2) At the commencement time, the assets to which this section applies  
26 cease to be assets of the old Ombudsman and become assets of the  
27 Commonwealth without any conveyance, transfer or assignment.  
28 The Commonwealth becomes the successor in law in relation to  
29 these assets.

1       **29 Vesting of liabilities of old Ombudsman**

- 2               (1) This section applies to the liabilities of the old Ombudsman  
3               immediately before the commencement time.
- 4               (2) At the commencement time, the liabilities to which this section  
5               applies cease to be liabilities of the old Ombudsman and become  
6               liabilities of the Commonwealth without any conveyance, transfer  
7               or assignment. The Commonwealth becomes the successor in law  
8               in relation to these liabilities.

9       **30 Certificates relating to vesting of land**

- 10              (1) This section applies if:  
11              (a) any land vests in the Commonwealth under this Division; and  
12              (b) there is lodged with a land registration official a certificate  
13              that:  
14              (i) is signed by the Minister; and  
15              (ii) identifies the land, whether by reference to a map or  
16              otherwise; and  
17              (iii) states that the land has become vested in the  
18              Commonwealth under this Division.

19              Note:        Certificates under paragraph (1)(b) are presumed to be authentic: see  
20              section 42.

- 21              (2) The land registration official may:  
22              (a) register the matter in a way that is the same as, or similar to,  
23              the way in which dealings in land of that kind are registered;  
24              and  
25              (b) deal with, and give effect to, the certificate.

26       **31 Certificates relating to vesting of assets other than land**

- 27              (1) This section applies if:  
28              (a) any asset other than land vests in the Commonwealth under  
29              this Division; and  
30              (b) there is lodged with an assets official a certificate that:  
31              (i) is signed by the Minister; and  
32              (ii) identifies the asset; and

**Section 32**

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- 1 (iii) states that the asset has become vested in the  
2 Commonwealth under this Division.

3 Note: Certificates under paragraph (1)(b) are presumed to be authentic: see  
4 section 42.

- 5 (2) The assets official may:  
6 (a) deal with, and give effect to, the certificate as if it were a  
7 proper and appropriate instrument for transactions in relation  
8 to assets of that kind; and  
9 (b) make such entries in the register as are necessary, having  
10 regard to the effect of this Schedule.

11 **32 Substitution of Commonwealth as a party to pending proceedings**

12 If any proceedings to which the old Ombudsman was a party were  
13 pending in any court or tribunal immediately before the  
14 commencement time, the Commonwealth is substituted for the old  
15 Ombudsman, from the commencement time, as a party to the  
16 proceedings.

17 **33 Transfer of custody of old Ombudsman records**

- 18 (1) This section applies to any records or documents that, immediately  
19 before the commencement time, were in the custody of the old  
20 Ombudsman.
- 21 (2) The records and documents are to be transferred into the custody of  
22 the Private Health Insurance Ombudsman at or after the  
23 commencement time.
- 24 (3) If, immediately before the commencement time, subsection 20(2)  
25 of the *Commonwealth Authorities and Companies Act 1997* applied  
26 in relation to any of those transferred records, that subsection  
27 continues to apply in relation to those records as if the Private  
28 Health Insurance Ombudsman were subject to that Act.

1 **Subdivision C—Reference to, and things done by or in relation**  
2 **to, old Ombudsman**

3 **34 References in instruments**

4 *References to old Ombudsman taken to be references to Private*  
5 *Health Insurance Ombudsman or Commonwealth*

6 (1) If:

- 7 (a) an instrument is in force immediately before the  
8 commencement time; and  
9 (b) the instrument contains a reference to the old Ombudsman;  
10 the instrument has effect from the commencement time as if the  
11 reference were a reference to the Private Health Insurance  
12 Ombudsman.

13 (2) However, if:

- 14 (a) an instrument is in force immediately before the  
15 commencement time; and  
16 (b) the instrument relates to assets or liabilities covered by  
17 section 28 or 29; and  
18 (c) the instrument refers to the old Ombudsman;  
19 the reference is to be read as a reference to the Commonwealth as  
20 necessary to give effect to section 28 or 29, as the case requires.

21 *References to staff of old Ombudsman taken to be references to*  
22 *staff of new Ombudsman*

23 (3) If:

- 24 (a) an instrument is in force immediately before the  
25 commencement time; and  
26 (b) the instrument contains a reference to a member of the staff  
27 of the old Ombudsman;  
28 the instrument has effect from the commencement time as if the  
29 reference to the member of the staff of the old Ombudsman were a  
30 reference to a member of the staff of the new Ombudsman referred  
31 to in section 253-45 of the new Act.

**Section 34**

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*Minister and Rules may provide otherwise*

(4) The Minister may, by writing, determine that subsection (1), (2) or (3):

- (a) does not apply in relation to a specified reference; or
- (b) applies as if:
  - (i) in the case of subsection (1)—the reference in that subsection to the Private Health Insurance Ombudsman were a reference to the Commonwealth; or
  - (ii) in the case of subsection (2)—the reference in that subsection to the Commonwealth were a reference to the Private Health Insurance Ombudsman; or
  - (iii) in the case of subsection (3)—the reference in that subsection to a member of the staff of the old Ombudsman were a reference to the Private Health Insurance Ombudsman.

A determination under this subsection has effect accordingly.

(5) A determination under subsection (4) is not a legislative instrument.

(6) The Private Health Insurance (Transition) Rules may provide that an instrument containing a reference specified in a determination under paragraph (4)(a) has effect from the commencement time as if:

- (a) in the case of an instrument covered by subsection (1)—the reference were a reference to a specified person or body other than the Commonwealth or the Private Health Insurance Ombudsman; or
- (b) in the case of an instrument covered by subsection (2)—the reference were a reference to a specified person or body other than the Commonwealth or the Private Health Insurance Ombudsman; or
- (c) in the case of an instrument covered by subsection (3)—the reference were a reference to a specified person or body other than the Private Health Insurance Ombudsman or a member of the staff of the new Ombudsman.

1 **35 Operation of laws**

2 *Things done by old Ombudsman taken to be done by Private*  
3 *Health Insurance Ombudsman*

- 4 (1) If, before the commencement time, a thing was done by, or in  
5 relation to, the old Ombudsman, then, for the purposes of the  
6 operation of any law of the Commonwealth after the  
7 commencement time, the thing is taken to have been done by, or in  
8 relation to, the Private Health Insurance Ombudsman.
- 9 (2) For the purposes of subsection (1), a thing done before the  
10 commencement time under a provision of Part VIC of the *National*  
11 *Health Act 1953* has effect from that time as if it were done under  
12 the corresponding provision of the new Act. However, this is not  
13 taken to change the time at which the thing was actually done.
- 14 (3) A complaint that the old Ombudsman had begun to handle before  
15 the commencement time may be handled by the new Ombudsman  
16 under the new Act as if the complaint had been made under the  
17 new Act, even if the ground for making the complaint does not  
18 exist under the new Act.
- 19 (4) Despite the repeal of the *Private Health Insurance Incentives Act*  
20 *1998*, the Private Health Insurance Ombudsman may, under  
21 Part 6-2 of the new Act, deal with a complaint about a matter that  
22 arose under that Act as if the complaint were about a matter that  
23 arose under Chapter 2 of the new Act.

24 *Minister and rules may provide otherwise*

- 25 (5) The Minister may, by writing, determine that subsection (1):  
26 (a) does not apply in relation to a specified thing done by, or in  
27 relation to, the old Ombudsman; or  
28 (b) applies as if the reference in that subsection to the Private  
29 Health Insurance Ombudsman were a reference to the  
30 Commonwealth.  
31 A determination under this subsection has effect accordingly.
- 32 (6) A determination made under subsection (5) is not a legislative  
33 instrument.
-



**Section 36**

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- 1 (7) The Private Health Insurance (Transition) Rules may provide for a  
2 thing specified in a determination under paragraph (5)(a) to be  
3 taken to have been done by, or in relation to, a specified person or  
4 body other than the Commonwealth or the Private Health  
5 Insurance Ombudsman.

6 *Meaning of doing*

- 7 (8) To avoid doubt, for the purposes of this section, *doing* a thing  
8 includes making an instrument.

9 **36 Financial statements and other reporting requirements**

10 *Reporting requirements*

- 11 (1) If:  
12 (a) immediately before the commencement time, a law required  
13 the old Ombudsman to provide a report (whether financial  
14 statements or otherwise) for a period; and  
15 (b) the period ends after the commencement time;  
16 the Private Health Insurance Ombudsman must provide the report,  
17 as required, for so much of the period as occurs before the  
18 commencement time.
- 19 (2) If:  
20 (a) under subsection (1), the Private Health Insurance  
21 Ombudsman is required to provide a report for a part of a  
22 period; and  
23 (b) the Private Health Insurance Ombudsman is also required to  
24 provide a similar report for the remainder of the period;  
25 the Private Health Insurance Ombudsman may meet the  
26 requirements in a single report for the period.
- 27 (3) If the Private Health Insurance Ombudsman does not provide the  
28 report mentioned in subsection (1) in the way mentioned in  
29 subsection (2), the Private Health Insurance Ombudsman must  
30 provide the report no more than 4 months after the commencement  
31 time.

1 *Outstanding reporting requirements*

- 2 (4) If:
- 3 (a) a law required the old Ombudsman to provide a report
- 4 (whether financial statements or otherwise) for a period that
- 5 ended before the commencement time; and
- 6 (b) the report has not been provided by the commencement time;
- 7 the Private Health Insurance Ombudsman must provide the report
- 8 as required.

9 **Subdivision D—Private Health Insurance Ombudsman and**

10 **staff**

11 **37 Private Health Insurance Ombudsman**

12 The person holding office as the Private Health Insurance

13 Ombudsman under section 82ZR of the *National Health Act 1953*

14 immediately before the commencement time is taken to have been

15 duly appointed as the Private Health Insurance Ombudsman by the

16 Minister under section 253-1 of the new Act:

- 17 (a) for the balance of the person's term of appointment that
- 18 remained immediately before the commencement time; and
- 19 (b) on the same terms and conditions as applied to the person
- 20 immediately before the commencement time.

21 **38 Transfer of staff**

22 *Long service leave*

- 23 (1) If:
- 24 (a) a member of the staff of the old Ombudsman transfers, or is
- 25 transferred, to the new Ombudsman; and
- 26 (b) previous employment of the staff member could have been
- 27 taken into account for the purposes of calculating the staff
- 28 member's entitlement to long service leave as a member of
- 29 the staff of the old Ombudsman;
- 30 the previous employment must be taken into account in a similar
- 31 manner for the purposes of calculating the staff member's

Section 38

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- 1 entitlement to long service leave as an employee of the new  
2 Ombudsman.
- 3 *Other staffing matters*
- 4 (2) The regulations may prescribe other matters of a transitional nature  
5 in relation to the transfer of staff from the old Ombudsman to the  
6 new Ombudsman.
- 7 (3) Without limiting subsection (2), regulations under that subsection  
8 may provide for:
- 9 (a) some or all of the entitlements and obligations of the staff of  
10 the old Ombudsman to be preserved; or
- 11 (b) staffing procedures of the old Ombudsman to apply, or to  
12 continue to apply, in relation to:
- 13 (i) processes begun before, but not completed by, the  
14 commencement time; or
- 15 (ii) things done by, for or in relation to the old Ombudsman  
16 or a staff member of the old Ombudsman before the  
17 commencement time; or
- 18 (c) staffing procedures of the new Ombudsman to apply in  
19 relation to:
- 20 (i) processes begun before, but not completed by, the  
21 commencement time; or
- 22 (ii) things done by, for or in relation to the old Ombudsman  
23 or a staff member of the old Ombudsman before the  
24 commencement time.
- 25 (4) Regulations made under this section have effect despite the *Public*  
26 *Service Act 1999*.
- 27 (5) In this section:
- 28 *staffing procedures* includes procedures and policies related to  
29 recruitment, promotion, performance management, inefficiency,  
30 misconduct, forfeiture of position, fitness for duty, loss of essential  
31 qualifications, disciplinary action, reviews of or appeals against  
32 staffing decisions, transfers, redundancy, resignations, termination  
33 of employment, grievance processes and leave.

1 **Subdivision E—Miscellaneous**

2 **39 Appropriation of money**

3 (1) For the purposes of the operation of an Appropriation Act after the  
4 commencement time, references to the old Ombudsman are to be  
5 read as references to the new Ombudsman.

6 (2) If an amount of money (the *original amount*) becomes an asset of  
7 the Commonwealth under section 28, an amount equal to the  
8 original amount may be paid out of the Consolidated Revenue  
9 Fund, which is appropriated accordingly, for the purposes of the  
10 new Ombudsman.

11 (3) In this section:

12 *Appropriation Act* means an Act appropriating money for  
13 expenditure out of the Consolidated Revenue Fund.

14 **40 Exemption from stamp duty and other State or Territory taxes**

15 No stamp duty or other tax is payable under a law of a State or  
16 Territory in respect of, or in respect of anything connected with:

- 17 (a) the transfer of an asset or liability under this Division; or  
18 (b) the operation of this Division in any other respect.

19 **41 Constitutional safety net—acquisition of property**

20 (1) If the operation of this Division would result in an acquisition of  
21 property from a person otherwise than on just terms, the  
22 Commonwealth is liable to pay a reasonable amount of  
23 compensation to the person.

24 (2) If the Commonwealth and the person do not agree on the amount  
25 of the compensation, the person may institute proceedings in the  
26 Federal Court of Australia for the recovery from the  
27 Commonwealth of such reasonable amount of compensation as the  
28 court determines.

Section 42

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1       **42 Certificates taken to be authentic**

2                       A document that appears to be a certificate made or issued under a  
3                       particular provision of this Division:

4                       (a) is taken to be such a certificate; and

5                       (b) is taken to have been properly given;

6                       unless the contrary is established.

7       **43 Delegation by Minister**

8                       (1) The Minister may, by writing, delegate all or any of his or her  
9                       powers and functions under this Division to the Private Health  
10                      Insurance Ombudsman.

11                     (2) In exercising or performing powers or functions under a  
12                     delegation, the Private Health Insurance Ombudsman must comply  
13                     with any directions of the Minister.

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2 **Division 2—Private Health Insurance Administration**  
3 **Council**

4 **44 Members of the Council**

5 A person holding an office to which he or she was appointed under  
6 section 82D of the *National Health Act 1953* immediately before  
7 the commencement time is taken to have been duly appointed to  
8 the corresponding office under section 267-5 of the new Act:

- 9 (a) for the balance of the person's term of appointment that  
10 remained immediately before the commencement time; and  
11 (b) on the same terms and conditions as applied to the person  
12 immediately before the commencement time.

13 **45 Chief Executive Officer**

14 The person holding an office to which he or she was appointed  
15 under section 82PH of the *National Health Act 1953* immediately  
16 before the commencement time is taken to have been duly  
17 appointed to the corresponding office under section 273-1 of the  
18 new Act:

- 19 (a) for the balance of the person's term of appointment that  
20 remained immediately before the commencement time; and  
21 (b) on the same terms and conditions as applied to the person  
22 immediately before the commencement time.

23 **46 Staff and consultants**

24 A person who, immediately before the commencement time:  
25 (a) was employed as a member of the staff of the Council; or  
26 (b) was engaged as a consultant to the Council;  
27 is taken after that commencement to have been employed, or  
28 engaged, under section 273-15 of the new Act on the same terms  
29 and conditions as applied to his or her employment or engagement  
30 immediately before that commencement.

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2 **Division 3—Administration of premiums reduction and**  
3 **incentive payment scheme**

4 **47 Application of Part 6-4 of the new Act**

5 Part 6-4 of the new Act applies on and after 1 July 2007.

6 **48 Transition to participating insurer under the new Act**

7 (1) A private health insurer may apply under the new Act to become a  
8 participating insurer for the purposes of that Act on or after 1 July  
9 2007.

10 Note: Before 1 July 2007, applications may still be made under the *Private*  
11 *Health Insurance Incentives Act 1998*.

12 (2) If, immediately before 1 July 2007, a private health insurer was a  
13 participating fund for the purposes of the *Private Health Insurance*  
14 *Incentives Act 1998*, that insurer is taken to be a participating  
15 insurer for the purposes of Part 2-2 and Part 6-4 of the new Act.

16 (3) Subsection (2) does not prevent the Minister revoking the insurer's  
17 status as a participating insurer under section 206-1 of the new Act.

18 **49 Applications to become a participating insurer before 1 July 2007**

19 (1) For the purposes of an application made under section 14-10 of the  
20 *Private Health Insurance Incentives Act 1998* on or after the  
21 commencement time, paragraph 14-10(1)(c) is taken to refer to the  
22 chief executive officer of the applicant private health insurer.

23 (2) If:

24 (a) before 1 July 2007, a private health insurer had applied to  
25 become a participating fund for the purposes of the *Private*  
26 *Health Insurance Incentives Act 1998*; and

27 (b) immediately before 1 July 2007, the Minister had neither  
28 approved nor rejected the application;

29 the Minister may treat the application as if it were an application  
30 made under section 279-5 of the new Act.

1 **50 Continued application of Division 16**

2                   Despite the repeal of the *Private Health Insurance Incentives Act*  
3                   *1998*, the Medicare Australia CEO may exercise powers under  
4                   Division 16 of that Act in relation to the matters mentioned in that  
5                   Division, as if it had not been repealed.

6 **51 Continued application of Division 18**

7                   Despite the repeal of the *Private Health Insurance Incentives Act*  
8                   *1998*, the Commonwealth and the Medicare Australia CEO may  
9                   exercise powers under Division 18 of that Act (other than powers  
10                  under section 18-15) in relation to the matters mentioned in that  
11                  Division, as if it had not been repealed.



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2 **Division 4—Private health insurance levies**

3 **52 Continued application of Part VID of the *National Health Act***  
4 ***1953* in relation to matters arising before commencement**  
5 **of new Act**

- 6 (1) Despite the repeal of Part VID of the *National Health Act 1953* by  
7 this Act, the Part continues to apply after the commencement time,  
8 to the exclusion of Part 6-6 of the new Act, in relation to an  
9 amount of levy or an amount of late payment penalty to which  
10 Part VID applied immediately before the commencement time.
- 11 (2) If, immediately before the commencement time, a process had  
12 begun under Division 4 of Part VID of the *National Health Act*  
13 *1953*, the process may continue after the commencement time as if  
14 Part VID had not been repealed.

15 **53 Continued application of section 83I of the *National Health Act***  
16 ***1953***

17 If, immediately before the commencement time, section 83I of the  
18 *National Health Act 1953* required a registered health benefits  
19 organization to retain particular records for a period of 7 years (or a  
20 shorter period prescribed by regulations made under that Act), the  
21 requirement to retain those records for that period continues in  
22 force as if section 83I had not been repealed.

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2 **Division 5—Disclosure of information**

3 **54 Transitional provision relating to secrecy obligations**

4 Despite subsection 135A(1) of the *National Health Act 1953*, a  
5 person who has duties, functions or powers under the new Act may  
6 disclose information to which that section applies if the disclosure  
7 is:

- 8 (a) in the course of performing a duty or function, or exercising a  
9 power, under the new Act; or  
10 (b) one that the person would have been able to make under  
11 Division 323 of the new Act, had the information been  
12 obtained in the course of performing a duty or function, or  
13 exercising a power, under the new Act.

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**Part 7—Miscellaneous**

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**55 Private Health Insurance (Transition) Rules**

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(1) The Minister may, by legislative instrument, make Private Health Insurance (Transition) Rules, providing for matters:

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(a) required or permitted by this Act to be provided; or

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(b) necessary or convenient to be provided for carrying out or giving effect to this Act.

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(2) In particular, Rules made under subsection (1) may be made providing for matters of a transitional nature (including providing any saving or application provisions) relating to the amendments or repeals made by this Act or to the transition from the provisions of the *National Health Act 1953* repealed by this Act to the *Private Health Insurance Act 2006*.

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**56 Regulations**

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(1) The Governor-General may make regulations prescribing matters:

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(a) required or permitted by this Act to be prescribed; or

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(b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.

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(2) In particular, regulations may be made prescribing matters of a transitional nature (including prescribing any saving or application provisions) relating to the amendments or repeals made by this Act or to the transition from the provisions of the *National Health Act 1953* repealed by this Act to the *Private Health Insurance Act 2006*.

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1 **Schedule 1—Repeals**

2 **Part 1—Repeal of provisions**

3 *Health Insurance Act 1973*

4 **1 Subsection 3(1) (definition of *agreement*)**

5 Repeal the definition.

6 **2 Subsection 3(1) (paragraph (a) of the definition of *patient***  
7 ***contribution*)**

8 Repeal the paragraph.

9 **3 Sections 3A and 3B**

10 Repeal the sections.

11 **4 Part III**

12 Repeal the Part.

13 **5 Schedule 2A**

14 Repeal the Schedule.

15 *National Health Act 1953*

16 **6 Subsection 4(1) (definition of *ACAC*)**

17 Repeal the definition.

18 **7 Subsection 4(1) (definition of *ACAC review levy*)**

19 Repeal the definition.

20 **8 Subsection 4(1) (definition of *ACAC Review Levy Act*)**

21 Repeal the definition.

22 **9 Subsection 4(1) (definition of *adult beneficiary*)**

23 Repeal the definition.

24 **10 Subsection 4(1) (definition of *applicable benefits***  
25 ***arrangement*)**

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1 Repeal the definition.

2 **11 Subsection 4(1) (definition of *base rate*)**

3 Repeal the definition.

4 **12 Subsection 4(1) (definition of *collapsed organization levy*)**

5 Repeal the definition.

6 **13 Subsection 4(1) (definition of *Collapsed Organization Levy***  
7 ***Act*)**

8 Repeal the definition.

9 **14 Subsection 4(1) (definition of *collapsed organization levy***  
10 ***amount*)**

11 Repeal the definition.

12 **15 Subsection 4(1) (definition of *contributor*)**

13 Repeal the definition.

14 **16 Subsection 4(1) (definition of *Council*)**

15 Repeal the definition.

16 **17 Subsection 4(1) (definition of *Council administration levy*)**

17 Repeal the definition.

18 **18 Subsection 4(1) (definition of *Council Administration Levy***  
19 ***Act*)**

20 Repeal the definition.

21 **19 Subsection 4(1) (definition of *Council's rules*)**

22 Repeal the definition.

23 **20 Subsection 4(1) (definition of *day hospital facility*)**

24 Repeal the definition.

25 **21 Subsection 4(1) (definition of *dependant*)**

26 Repeal the definition.

27 **22 Subsection 4(1) (definition of *gap cover scheme*)**

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1 Repeal the definition.

2 **23 Subsection 4(1) (definition of *gap permitted prosthesis*)**

3 Repeal the definition.

4 **24 Subsection 4(1) (definition of *Health Benefits Reinsurance***  
5 ***Trust Fund*)**

6 Repeal the definition.

7 **25 Subsection 4(1) (definition of *Hospital Casemix Protocol*)**

8 Repeal the definition.

9 **26 Subsection 4(1) (definition of *hospital cover*)**

10 Repeal the definition.

11 **27 Subsection 4(1) (definition of *hospital purchaser-provider***  
12 ***agreement*)**

13 Repeal the definition.

14 **28 Subsection 4(1) (definition of *joint hospital cover*)**

15 Repeal the definition.

16 **29 Subsection 4(1) (definition of *known gap policy*)**

17 Repeal the definition.

18 **30 Subsection 4(1) (definition of *late payment penalty*)**

19 Repeal the definition.

20 **31 Subsection 4(1) (definition of *Levy Act*)**

21 Repeal the definition.

22 **32 Subsection 4(1) (definition of *medical purchaser-provider***  
23 ***agreement*)**

24 Repeal the definition.

25 **33 Subsection 4(1) (definition of *new prudential standards***  
26 ***day*)**

27 Repeal the definition.

- 1     **34 Subsection 4(1) (definition of *no gap policy*)**  
2             Repeal the definition.
- 3     **35 Subsection 4(1) (definition of *no gap prosthesis*)**  
4             Repeal the definition.
- 5     **36 Subsection 4(1) (definition of *organization*)**  
6             Repeal the definition.
- 7     **37 Subsection 4(1) (definition of *outreach service*)**  
8             Repeal the definition.
- 9     **38 Subsection 4(1) (definition of *patient*)**  
10            Repeal the definition.
- 11    **39 Subsection 4(1) (definition of *permitted days without***  
12            ***hospital cover*)**  
13            Repeal the definition.
- 14    **40 Subsection 4(1) (definition of *practitioner agreement*)**  
15            Repeal the definition.
- 16    **41 Subsection 4(1) (definition of *private health insurance***  
17            ***levy*)**  
18            Repeal the definition.
- 19    **42 Subsection 4(1) (definition of *records*)**  
20            Repeal the definition.
- 21    **43 Subsection 4(1) (definition of *registered health benefits***  
22            ***organization*)**  
23            Repeal the definition.
- 24    **44 Subsection 4(1) (definition of *registered organization*)**  
25            Repeal the definition.
- 26    **45 Subsection 4(1) (definition of *Reinsurance Trust Fund***  
27            ***levy*)**
-

1 Repeal the definition.

2 **46 Subsection 4(1) (definition of *Reinsurance Trust Fund***  
3 ***Levy Act*)**

4 Repeal the definition.

5 **47 Subsection 4(1) (definition of *restricted membership***  
6 ***organization*)**

7 Repeal the definition.

8 **48 Subsection 4(1) (definition of *Schedule 2 application day*)**

9 Repeal the definition.

10 **49 Subsection 4(1) (definition of *waiting period*)**

11 Repeal the definition.

12 **50 Subsection 4(1AA)**

13 Repeal the subsection.

14 **51 Sections 5A to 5G**

15 Repeal the sections.

16 **52 Paragraph 6(1)(aa)**

17 Repeal the paragraph.

18 **53 Parts VI to VID**

19 Repeal the Parts.

20 **54 Subsections 105AB(1A) to (6AE)**

21 Repeal the subsections.

22 **55 Section 134D**

23 Repeal the section.

24 **56 Subsections 135A(4A), (5D) and (12A)**

25 Repeal the subsections.

26 **57 Paragraphs 139A(1)(aa) to (c)**

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**Schedule 1** Repeals  
**Part 1** Repeal of provisions

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1 Repeal the paragraphs.

2 **58 Subsections 140(2) and (3)**

3 Repeal the subsections.

4 **59 Schedules 1 and 2**

5 Repeal the Schedules.

6 ***Remuneration Tribunal Act 1973***

7 **60 Paragraph 7(9)(ae)**

8 Repeal the paragraph.

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2 **Part 2—Repeal of Acts**

3 *Private Health Insurance (ACAC Review Levy) Act 2003*

4 **61 The whole of the Act**

5 Repeal the Act.

6 *Private Health Insurance Incentives Act 1998*

7 **62 The whole of the Act**

8 Repeal the Act.

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## Schedule 2—Amendments

### *Age Discrimination Act 2004*

#### **1 Schedule 2 (after table item 9)**

Insert:

9A *Private Health Insurance Act 2006* sections 23-1,  
23-10, 26-1 and  
26-5 and Part 2-3

#### **2 Schedule 2 (table item 10)**

Repeal the item.

### *A New Tax System (Goods and Services Tax) Act 1999*

#### **3 Section 195-1 (definition of private health insurance)**

Repeal the definition, substitute:

*private health insurance* means insurance provided under a contract of insurance that was entered into by a private health insurer (within the meaning of the *Private Health Insurance Act 2006*) in the course of carrying on health insurance business (within the meaning of Division 121 of that Act).

### *A New Tax System (Medicare Levy Surcharge—Fringe Benefits) Act 1999*

#### **4 Subsections 4(1) to (3)**

Repeal the subsections, substitute:

- (1) For the purposes of this Act, a person is covered by an insurance policy that provides private patient hospital cover if:
- (a) the policy is a complying health insurance policy (within the meaning of the *Private Health Insurance Act 2006*) that covers hospital treatment (within the meaning of that Act); and
  - (b) any excess payable in respect of benefits under the policy is no more than:

- 1 (i) \$500 in any 12 month period, in relation to a policy
- 2 under which only one person is insured; and
- 3 (ii) \$1,000 in any 12 month period, in relation to any other
- 4 policy.
  
- 5 (2) Paragraph (1)(b) does not apply in relation to an insurance policy
- 6 under which a person has been insured continuously since the end
- 7 of 24 May 2004, as long as the amount of any excess payable
- 8 under the policy has not increased since that time.

9 **5 Paragraph 4(4)(a)**

10 Omit “applies”, substitute “applied immediately before the

11 commencement of the *Private Health Insurance Act 2006*”.

12 **6 Paragraph 4(4)(b)**

13 Repeal the paragraph, substitute:

- 14 (b) in a case where the person referred to in paragraph (a) had
- 15 been, immediately before that commencement, a registered
- 16 organization within the meaning of the *National Health Act*
- 17 *1953*—the policy would have been, immediately before that
- 18 commencement, an applicable benefits arrangement, within
- 19 the meaning of section 5A of that Act, to which paragraph
- 20 5A(1)(a) of that Act would apply.

21 **7 Paragraph 4(5)(b)**

22 Repeal the paragraph, substitute:

- 23 (b) any excess payable in respect of benefits under the policy is
- 24 more than:
  - 25 (i) \$500 in any 12 month period, in relation to a policy
  - 26 under which only one person is insured; and
  - 27 (ii) \$1,000 in any 12 month period, in relation to any other
  - 28 policy.

29 **8 Subsection 4(6)**

30 Repeal the subsection (including the example).

31 ***Education Services for Overseas Students Act 2000***

32 **9 Paragraph 7(2)(b)**

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1 Omit “registered health benefits organization (within the meaning of the  
2 *National Health Act 1953*)”, substitute “private health insurer (within  
3 the meaning of the *Private Health Insurance Act 2006*)”.

4 ***Financial Sector (Collection of Data) Act 2001***

5 **10 Paragraph 7(2)(d)**

6 Repeal the paragraph, substitute:

7 (d) the corporation is a private health insurer within the meaning  
8 of the *Private Health Insurance Act 2006*; or

9 ***Financial Transaction Reports Act 1988***

10 **11 Subsection 3(1) (paragraph (a) of the definition of**  
11 ***insurance business*)**

12 Repeal the paragraph, substitute:

13 (a) health insurance business within the meaning of Division 121  
14 of the *Private Health Insurance Act 2006* carried on by a  
15 private health insurer within the meaning of that Act; or

16 ***Freedom of Information Act 1982***

17 **12 Schedule 3**

18 Insert in its appropriate alphabetical position, determined on a  
19 letter-by-letter basis:

20

*Private Health Insurance Act 2006*, sections 323-1 and  
323-40

21 ***Health Insurance Act 1973***

22 **13 Subsection 3(1)**

23 Insert:

24 ***complying health insurance policy*** has the meaning given by  
25 section 63-10 of the *Private Health Insurance Act 2006*.

26 **14 Subsection 3(1) (definition of *hospital*)**

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1 Repeal the definition, substitute:

2 *hospital* has the meaning given by subsection 121-5(5) of the  
3 *Private Health Insurance Act 2006*.

4 **15 Subsection 3(1)**

5 Insert:

6 *hospital service* means a health service of a kind provided in a  
7 hospital and includes:

- 8 (a) accommodation in a hospital for the purposes of receiving  
9 treatment; and  
10 (b) nursing care and treatment; and  
11 (c) medical care and treatment including diagnostic services; and  
12 (d) outpatient, accident and emergency services.

13 **16 Subsection 3(1)**

14 Insert:

15 *hospital-substitute treatment* has the same meaning as in the  
16 *Private Health Insurance Act 2006*.

17 **17 Subsection 3(1) (definition of *hospital treatment*)**

18 Repeal the definition, substitute:

19 *hospital treatment* has the meaning given by section 121-5 of the  
20 *Private Health Insurance Act 2006*.

21 **18 Subsection 3(1) (definition of *nursing-home type patient*)**

22 Repeal the definition, substitute:

23 *nursing-home type patient*, in relation to a hospital, means a  
24 patient in the hospital who has been provided with accommodation  
25 and nursing care, as an end in itself, for a continuous period  
26 exceeding 35 days.

27 **19 Savings provision relating to nursing-home type patients**

1           Despite any amendment made by this Schedule, a person who was,  
2           immediately before the commencement of this item, a nursing-home  
3           type patient within the meaning of the *Health Insurance Act 1973* is  
4           taken, after that commencement, to continue to be a nursing-home type  
5           patient within the meaning of that Act.

6           **20 Subsection 3(1) (paragraph (b) of the definition of *patient***  
7           ***contribution*)**

8           Omit “(other than a State referred to in paragraph (a))”.

9           **21 Subsection 3(1)**

10          Insert:

11                     *private health insurer* has the same meaning as in the *Private*  
12                     *Health Insurance Act 2006*.

13          **22 Subsection 3(1) (definition of *private hospital*)**

14          Repeal the definition, substitute:

15                     *private hospital* means a hospital in respect of which there is in  
16                     force a statement under subsection 121-5(8) of the *Private Health*  
17                     *Insurance Act 2006* that the hospital is a private hospital.

18          **23 Subsection 3(1)**

19          Insert:

20                     *public hospital service* means a hospital service provided in:  
21                     (a) a recognised hospital; or  
22                     (b) a hospital in respect of which the Commonwealth, or a State,  
23                     provides funding for the provision of hospital services to  
24                     public patients.

25          **24 Subsection 3(1) (definition of *recognized hospital*)**

26          Repeal the definition, substitute:

27                     *recognised hospital* means a hospital in respect of which there is in  
28                     force a statement under subsection 121-5(8) of the *Private Health*  
29                     *Insurance Act 2006* that the hospital is a public hospital.

30          **25 Subsection 3(1A) (note)**

31          Repeal the note.

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**26 Subsections 3(1B), (11) and (12)**

Repeal the subsections.

**27 Paragraph 10(2)(a)**

Repeal the paragraph, substitute:

(a) in the case of a service provided:

(i) as part of an episode of hospital treatment; or

(ii) as part of an episode of hospital-substitute treatment in respect of which the person to whom the treatment is provided chooses to receive a benefit from a private health insurer;

an amount equal to 75% of the Schedule fee; or

**28 Subsection 10AC(1) (definition of *relevant service*)**

Omit “a service of the kind referred to in subparagraph (a)(ii) and paragraph (b) of the definition of *applicable benefits arrangement* in subsection 5A(1) of the *National Health Act 1953*”, substitute “a service rendered to a person while hospital treatment, or hospital-substitute treatment in respect of which the person chooses to receive a benefit from a private health insurer, is provided to the person”.

**29 Subsection 10ACA(1) (definition of *relevant service*)**

Omit “a service of the kind referred to in subparagraph (a)(ii) and paragraph (b) of the definition of *applicable benefits arrangement* in subsection 5A(1) of the *National Health Act 1953*”, substitute “a service rendered to a person while hospital treatment, or hospital-substitute treatment in respect of which the person chooses to receive a benefit from a private health insurer, is provided to the person”.

**30 Paragraph 14(2)(a)**

Omit “a medical purchaser-provider agreement”, substitute “an agreement between a private health insurer and another person”.

**31 Subparagraphs 16A(5AA)(d)(iv) and (e)(i)**

Omit “, or a day hospital facility,”.

**32 Subsections 20A(2A) to (2D)**

Repeal the subsections, substitute:

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- (2A) If:
- (a) a medicare benefit would, apart from this section, be payable to an eligible person in respect of a professional service rendered to the eligible person or another person while hospital treatment or hospital-substitute treatment is provided to the eligible person or other person; and
  - (b) the eligible person has entered into a complying health insurance policy with a private health insurer under which he or she is covered (wholly or partly) for liability to pay fees and charges in respect of that professional service;
- the eligible person and the insurer, an approved billing agent or another person may enter into an agreement, in accordance with the approved form, under which the eligible person assigns his or her right to the payment of the medicare benefit to the insurer, approved billing agent or other person.

**33 Paragraph 20B(2)(b)**

Omit “6 months”, substitute “2 years”.

**34 Subsection 20B(3A)**

Omit “or the period of 6 months referred to in paragraph (2)(b), as the case may be”, substitute “or (2)(b)”.

**35 Section 39 (definition of *eligible person*)**

Omit “contributor to an applicable benefits arrangement”, substitute “holder (within the meaning of the *Private Health Insurance Act 2006*) of a complying health insurance policy that covers hospital treatment or hospital-substitute treatment”.

**36 Subsection 124W(1) (subparagraph (a)(i) of the definition of *quality assurance activity*)**

Omit “Part II, III or IV”, substitute “Part II or IV”.

**37 Subsection 126(5A)**

Repeal the subsection, substitute:

- (5A) This section does not apply in relation to a contract of insurance entered into by a private health insurer in so far as the contract is a complying health insurance policy that covers hospital treatment or hospital-substitute treatment.

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**38 Subsection 126(7)**

Insert:

*cover* has the meaning given by section 69-5 of the *Private Health Insurance Act 2006*.

**39 Subsection 128C(1)**

Omit “(1)”.

**40 Subsection 128C(2)**

Repeal the subsection (not including the penalty).

**41 At the end of section 128C**

Add:

Note: For *public hospital service* see subsection 3(1).**42 Subsection 129AA(1A)**

Omit “registered organization”, substitute “private health insurer”.

**43 Subsection 129AA(1B)**

Omit “registered organization”, substitute “private health insurer”.

**44 Subsection 129AA(5A)**

Repeal the subsection, substitute:

(5A) If a person is convicted of an offence against this section by virtue of subsection (1A) or (1B) in relation to the admission of a person as a patient in a hospital, the court may, in addition to imposing a penalty in respect of the offence, order the person to pay a private health insurer an amount equal to the sum of any benefits paid by the insurer in respect of that patient.

**45 Paragraph 130(6)(f)**

Omit “registered organization”, substitute “private health insurer”.

**46 Paragraph 130(7)(d)**

Omit “registered organization” (wherever occurring), substitute “private health insurer”.

**47 Paragraph 130(7)(d)**

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1 Omit “registered organizations”, substitute “private health insurers”.

2 **48 Paragraph 130(7)(h)**

3 Omit “registered organization”, substitute “private health insurer”.

4 **49 Paragraph 130(9)(d)**

5 Omit “registered organization”, substitute “private health insurer”.

6 **50 Paragraph 130(9)(d)**

7 Omit “the organization”, substitute “the insurer”.

8 ***Hearing Services Administration Act 1997***

9 **51 Paragraph 5(2)(e)**

10 Repeal the paragraph.

11 ***Income Tax Assessment Act 1997***

12 **52 Section 50-30 (cell at table item 6.3, column headed**  
13 **“Exempt entity”)**

14 Repeal the cell, substitute:  
private health insurer within the  
meaning of the *Private Health*  
*Insurance Act 2006*

15 ***Insurance Act 1973***

16 **53 Subsection 3(1) (paragraph (k) of the definition of**  
17 ***insurance business*)**

18 Repeal the paragraph, substitute:  
19 (k) health insurance business within the meaning of Division 121  
20 of the *Private Health Insurance Act 2006* carried on by a  
21 private health insurer within the meaning of that Act.

22 ***Insurance Contracts Act 1984***

23 **54 Paragraph 9(1)(b)**

24 Repeal the paragraph, substitute:

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1 (b) of insurance entered into, or proposed to be entered into, by a  
2 private health insurer within the meaning of the *Private*  
3 *Health Insurance Act 2006* in respect of its health insurance  
4 business within the meaning of Division 121 of that Act; or

5 ***Life Insurance Act 1995***

6 **55 Subsection 16ZB(2) (note)**

7 Omit “*National Health Act 1953*”, substitute “*Private Health Insurance*  
8 *Act 2006*”.

9 **56 Schedule (definition of *health insurance business*)**

10 Omit “section 67 of the *National Health Act 1953*”, substitute  
11 “Division 121 of the *Private Health Insurance Act 2006*”.

12 ***Medibank Private Sale Act 2006***

13 **57 Item 1 of Schedule 2 (definition of *contributor*)**

14 Repeal the definition, substitute:

15 ***contributor***, in relation to a health benefits fund:

- 16 (a) has the same meaning as it had in the *National Health Act*  
17 *1953* immediately before the commencement of the *Private*  
18 *Health Insurance Act 2006*; or  
19 (b) if the rules of the registered health benefits organization  
20 conducting the fund do not provide for who are the  
21 contributors to the fund—means a policy holder of the fund  
22 within the meaning of the *Private Health Insurance Act*  
23 *2006*.

24 **58 Item 1 of Schedule 2 (definition of *registered health***  
25 ***benefits organization*)**

26 Repeal the definition, substitute:

27 ***registered health benefits organization*** has the same meaning as it had  
28 in the *National Health Act 1953* immediately before the commencement  
29 of the *Private Health Insurance Act 2006*.

30 **59 Item 1 of Schedule 2 (definition of *rules*)**

31 Repeal the definition, substitute:

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*rules:*

- (a) in relation to a registered health benefits organization, has the same meaning as it had in the *National Health Act 1953* immediately before the commencement of the *Private Health Insurance Act 2006*; and
- (b) if Medibank Private's rules have been modified as provided for in paragraph 5(6)(k), means, in relation to Medibank Private, those rules as so modified.

**60 After paragraph 9(7)(b) of Schedule 2**

Insert:

- (ba) a provision of the *Private Health Insurance Act 2006*; or

**61 Subitem 10(8) of Schedule 2**

Omit "section 73AAC or 73AAD of the *National Health Act 1953*", substitute "section 137-10 of the *Private Health Insurance Act 2006*".

**62 After paragraph 12(5)(b) of Schedule 2**

Insert:

- (ba) a provision of the *Private Health Insurance Act 2006*; or

**63 At the end of subitem 14(1) of Schedule 2**

Add:

- ; or (d) a provision of the *Private Health Insurance Act 2006*.

**64 At the end of subitem 14(2) of Schedule 2**

Add:

- ; or (d) a provision of the *Private Health Insurance Act 2006*.

**65 After paragraph 15(3)(b) of Schedule 2**

Insert:

- (ba) a provision of the *Private Health Insurance Act 2006*; or

**66 Subitem 16(2) of Schedule 2**

Omit "section 73AAC or 73AAD of the *National Health Act 1953*", substitute "section 137-10 of the *Private Health Insurance Act 2006*".

**67 Subitem 20(10) of Schedule 2**

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1 Omit “section 78 of the *National Health Act 1953*”, substitute  
2 “section 169-10 of the *Private Health Insurance Act 2006*”.

3 **68 After subparagraph 20(11)(c)(ii) of Schedule 2**

4 Insert:

5 (ia) a provision of the *Private Health Insurance Act 2006*; or

6 **69 Subitem 21(2) of Schedule 2**

7 Omit “section 73AAC or 73AAD of the *National Health Act 1953*”,  
8 substitute “section 137-10 of the *Private Health Insurance Act 2006*”.

9 **70 After paragraph 22(3)(b) of Schedule 2**

10 Insert:

11 (ba) a provision of the *Private Health Insurance Act 2006*; or

12 **71 Subitem 23(2) of Schedule 2**

13 Omit “section 73AAC or 73AAD of the *National Health Act 1953*”,  
14 substitute “section 137-10 of the *Private Health Insurance Act 2006*”.

15 **72 Subitem 57(1) and (3) of Schedule 2**

16 Omit “section 73AAD of the *National Health Act 1953*”, substitute  
17 “section 137-10 of the *Private Health Insurance Act 2006*”.

18 **73 Subitem 58(8) of Schedule 2**

19 Omit “section 73AAC or 73AAD of the *National Health Act 1953*”,  
20 substitute “section 137-10 of the *Private Health Insurance Act 2006*”.

21 ***Medical Indemnity Act 2002***

22 **74 At the end of paragraph 77(2)(c)**

23 Add:

24 ; or (v) the *Private Health Insurance Act 2006*.

25 ***Medicare Levy Act 1986***

26 **75 Subsections 3(5) to (5B)**

27 Repeal the subsections, substitute:

- 1 (5) For the purposes of this Act, a person is covered by an insurance  
2 policy that provides private patient hospital cover if:
- 3 (a) the policy is a complying health insurance policy (within the  
4 meaning of the *Private Health Insurance Act 2006*) that  
5 covers hospital treatment (within the meaning of that Act);  
6 and
- 7 (b) any excess payable in respect of benefits under the policy is  
8 no more than:
- 9 (i) \$500 in any 12 month period, in relation to a policy  
10 under which only one person is insured; and  
11 (ii) \$1,000 in any 12 month period, in relation to any other  
12 policy.
- 13 (5A) Paragraph (5)(b) does not apply in relation to an insurance policy  
14 under which a person has been insured continuously since the end  
15 of 24 May 2004, as long as the amount of any excess payable  
16 under the policy has not increased since that time.

17 **76 Paragraph 3(6)(a)**

18 Omit “applies”, substitute “applied immediately before the  
19 commencement of the *Private Health Insurance Act 2006*”.

20 **77 Paragraph 3(6)(b)**

21 Repeal the paragraph, substitute:

- 22 (b) in a case where the person referred to in paragraph (a) had  
23 been, immediately before that commencement, a registered  
24 organization within the meaning of the *National Health Act*  
25 *1953*—the policy would have been, immediately before that  
26 commencement, an applicable benefits arrangement, within  
27 the meaning of section 5A of that Act, to which paragraph  
28 5A(1)(a) of that Act would apply.

29 **78 Paragraph 3(7)(b)**

30 Repeal the paragraph, substitute:

- 31 (b) any excess payable in respect of benefits under the policy is  
32 more than:
- 33 (i) \$500 in any 12 month period, in relation to a policy  
34 under which only one person is insured; and  
35 (ii) \$1,000 in any 12 month period, in relation to any other  
36 policy.

1 **79 Subsection 3(8)**

2 Repeal the subsection (including the example).

3 ***National Blood Authority Act 2003***

4 **80 Paragraph 10(3)(a)**

5 Omit “section 23E of”.

6 ***National Health Act 1953***

7 **81 Subsection 4(1)**

8 Insert:

9 *complying health insurance policy* has the meaning given by  
10 section 63-10 of the *Private Health Insurance Act 2006*.

11 **82 Subsection 4(1)**

12 Insert:

13 *hospital* has the meaning given by subsection 121-5(5) of the  
14 *Private Health Insurance Act 2006*.

15 **83 Subsection 4(1)**

16 Insert:

17 *hospital-substitute treatment* has the same meaning as in the  
18 *Private Health Insurance Act 2006*.

19 **84 Subsection 4(1)**

20 Insert:

21 *hospital treatment* has the meaning given by section 121-5 of the  
22 *Private Health Insurance Act 2006*.

23 **85 Subsection 4(1)**

24 Insert:

25 *private health insurer* has the same meaning as in the *Private*  
26 *Health Insurance Act 2006*.

27 **86 Subsection 4(1)**

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1           Insert:

2                     *public hospital* means a hospital in respect of which there is in  
3                     force a statement under subsection 121-5(8) of the *Private Health*  
4                     *Insurance Act 2006* that the hospital is a public hospital.

5       **87 Subsection 4(1)**

6           Insert:

7                     *public hospital authority* means the governing body of a public  
8                     hospital.

9       **88 Subsection 4(1) (definition of *rules*)**

10           Repeal the definition, substitute:

11                     *rules*, in relation to a private health insurer, has the same meaning  
12                     as in the *Private Health Insurance Act 2006*.

13       **89 Subsection 50(1)**

14           Omit “registered organization”, substitute “private health insurer”.

15       **90 Subsection 50(4)**

16           Omit “registered hospital benefits organization”, substitute “private  
17           health insurer”.

18       **91 Subsection 84(1) (definition of *public hospital*)**

19           Repeal the definition.

20       **92 Subsection 84(1) (definition of *public hospital authority*)**

21           Repeal the definition.

22       **93 Paragraph 84AAA(1)(c)**

23           Omit “(within the meaning of the *Health Insurance Act 1973*) or a day  
24           hospital facility”.

25       **94 Subsection 84AAA(1) (note)**

26           Omit “*day hospital facility*”, substitute “*hospital*”.

27       **95 Subsection 92B(2)**

28           Repeal the subsection, substitute:

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1           (2) This section does not prevent a private health insurer from entering  
2           into a complying health insurance policy under which the insurer  
3           covers the cost of pharmaceutical benefits dispensed to a person as  
4           part of an episode of hospital treatment or hospital-substitute  
5           treatment covered by the policy.

6           **96 Subsection 135A(5)**

7           Omit “or organization”, substitute “or private health insurer”.

8           **97 Paragraph 135A(6)(j)**

9           Omit “registered organization”, substitute “private health insurer”.

10          **98 Paragraph 135A(7)(f)**

11          Omit “registered organization” (wherever occurring), substitute “private  
12          health insurer”.

13          **99 Paragraph 135A(7)(f)**

14          Omit “registered organizations”, substitute “private health insurers”.

15          **100 Paragraph 135A(7)(m)**

16          Omit “registered organization”, substitute “private health insurer”.

17          **101 Paragraph 135A(9)(d)**

18          Omit “registered organization”, substitute “private health insurer”.

19          **102 Paragraph 135A(9)(d)**

20          Omit “the organization”, substitute “the insurer”.

21          **103 Subsection 140(1)**

22          Omit “(1)”.

23          ***Veterans’ Entitlements Act 1986***

24          **104 Subsection 93A(1)**

25          Repeal the subsection, substitute:

26          (1) In this section:

27                         ***contributor***, in relation to a private health insurer, means a person  
28                         who is a holder (within the meaning of the *Private Health*

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1                    *Insurance Act 2006*) of a complying health insurance policy  
2                    (within the meaning of section 63-10 of that Act) entered into with  
3                    the insurer.

4                    *private health insurer* has the same meaning as in the *Private*  
5                    *Health Insurance Act 2006*.

6                    **105 Paragraph 93A(2)(b)**

7                    Omit “registered organisation”, substitute “private health insurer”.

8                    **106 Paragraph 93A(3)(b)**

9                    Omit “registered organisation”, substitute “private health insurer”.

10                  **107 Subsection 93A(3)**

11                  Omit “the registered organisation” (wherever occurring), substitute “the  
12                  insurer”.

13                  **108 Subsection 93A(4)**

14                  Omit “registered organisation”, substitute “private health insurer”.

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1  
2 **Schedule 3—Amendments relating to**  
3 **transition from Private Health**  
4 **Insurance Incentives Act 1998**  
5

6 *Income Tax Assessment Act 1936*

7 **1 Paragraph 16(4)(fb)**

8 Repeal the paragraph, substitute:

9 (fb) the Chief Executive Officer of Medicare Australia for the  
10 purpose of the administration of the *Private Health Insurance*  
11 *Incentives Act 1998* or Part 2-2 or 6-4 of the *Private Health*  
12 *Insurance Act 2006*;

13 **2 Subsection 159J(6) (paragraph (aac) of the definition of**  
14 ***separate net income*)**

15 After “1998”, insert “or Division 21 of the *Private Health Insurance Act*  
16 *2006*”.

17 **3 Subsection 159J(6) (paragraph (aac) of the definition of**  
18 ***separate net income*)**

19 Omit “the *Private Health Insurance Incentives Act 1998* or”.

20 **4 Subsection 264BB(1)**

21 Omit “health fund”, substitute “private health insurer”.

22 Note: The heading to section 264BB is altered by omitting “**health funds**” and substituting  
23 “**private health insurers**”.

24 **5 Subsection 264BB(1)**

25 Omit “an appropriate private health insurance policy issued by the  
26 fund”, substitute “a complying health insurance policy issued by the  
27 insurer”.

28 **6 Subsection 264BB(2)**

29 Repeal the subsection, substitute:

30 (2) The information that the Commissioner may require the private  
31 health insurer to provide includes the following:

- 1 (a) the name, address and date of birth of each person mentioned  
2 in subsection (1);  
3 (b) the membership number of the policy;  
4 (c) the name, address and date of birth of any spouse of a person  
5 covered by the policy (other than a spouse permanently living  
6 separately and apart from the person);  
7 (d) whether the policy covers hospital treatment, general  
8 treatment or both;  
9 (e) the date on which the policy was issued;  
10 (f) whether the policy has terminated or been suspended, and, if  
11 it has, the date on which it terminated or was suspended;  
12 (g) the amount of the premium payable under the policy;  
13 (h) the period to which the premium relates;  
14 (i) any increase or decrease in the premium;  
15 (j) whether a payment in respect of a premium that was due  
16 within a period specified by the Commissioner was not paid.

17 **7 Subsection 264BB(4)**

18 Repeal the subsection, substitute:

- 19 (4) In this section, the following terms have the same meanings as in  
20 the *Private Health Insurance Act 2006*:

21 *complying health insurance policy*

22 *general treatment*

23 *hospital treatment*

24 *private health insurer*

25 ***Income Tax Assessment Act 1997***

26 **8 Section 52-125**

27 After “1998”, insert “or Division 21 of the *Private Health Insurance Act*  
28 *2006*”.

29 **9 Section 52-125**

30 Omit “Chapter 2 of the *Private Health Insurance Incentives Act 1998*  
31 or”.

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1 ***Private Health Insurance Incentives Act 1998***

2 **10 Paragraph 4-5(1)(a)**

3 Omit “1 July 1998 or a later financial year”, substitute “or after 1 July  
4 1998 and before 1 July 2007”.

5 **11 Section 11-10**

6 Before “You”, insert “(1)”.

7 **12 At the end of section 11-10**

8 Add:

9 (2) However, no-one is eligible to apply for registration under this  
10 Division after 30 June 2007.

11 **13 At the end of section 12-5**

12 Add:

13 (7) A reduction is not allowable under this section in respect of a  
14 premium if the premium is in respect of a financial year, or part of  
15 a financial year, beginning on or after 1 July 2007.

16 **14 Subsection 12-10(2)**

17 Omit “1 July 1999 or a later financial year”, substitute “or after 1 July  
18 1999 and before 1 July 2007”.

19 **15 At the end of section 15-5**

20 Add:

21 (3) A \*health fund may claim reimbursement under this Division only  
22 in respect of an amount of premiums that was reduced because of  
23 the operation of this Chapter.

24 **16 Subsection 15-23(2)**

25 Repeal the subsection, substitute:

26 (2) The application must be made:

27 (a) if the application relates to only one month—before the  
28 earlier of:

**Schedule 3** Amendments relating to transition from Private Health Insurance  
Incentives Act 1998

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- 1 (i) the day that is 3 years after the last day of the month;  
2 and  
3 (ii) 1 July 2008; and  
4 (b) if the application relates to more than one month—before the  
5 earlier of:  
6 (i) the day that is 3 years after the last day of the first of  
7 those months; and  
8 (ii) 1 July 2008.  
9