

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 3) 2004 No. 101

EXPLANATORY STATEMENT

STATUTORY RULES 2004 NO. 101

Issued by the Authority of the Minister for Health and Ageing

Health Insurance Act 1973

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 3)

Subsection 133(1) of the *Health Insurance Act 1973* (the Act) provides in part that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Act provides, in part, for payments of Medicare benefits in respect of professional services rendered to eligible persons. Section 9 of the Act provides that Medicare benefits shall be calculated by reference to the fees for medical services, including diagnostic imaging services, set out in prescribed tables.

Section 4AA of the Act provides that the regulations may prescribe a table of diagnostic imaging services, the amount of fees applicable in respect of each item and the rules for interpretation of the table. The *Health Insurance (Diagnostic Imaging Services Table) Regulations 2003* prescribe such a table.

The purpose of the Regulations is to amend the current table of diagnostic imaging services by making the following changes in respect of radiology services, as part of the ongoing management of the table:

- introducing minor amendments to rules of interpretation 31, 32, 37, and 38, and introducing a new rule of interpretation with respect to two new items that were introduced to the table with effect from 1 May 2004;
- applying a six percent fee increase for radiology items in subgroups 1, 3, 4 and 6 of Group I1-Ultrasound;
- applying a 2.2 percent fee increase for all items specified under Group I2 - Computed Tomography; and
- applying a three percent fee increase for all items specified under Group I3 - Diagnostic Radiology with the exception of:
 - item 59103 which is an add-on service for the localisation of foreign bodies and not identified by the Radiology Memorandum of Understanding (MoU) Management Committee as warranting a fee increase;
 - mammography items 59300 and 59303, to which a six percent increase has been applied;
 - items 59903, 59912, 59925, 59971, 59972 and 59973, which are items of service managed through the Cardiac Imaging Memorandum of Understanding; and

- items 60918 and 60927, which are preparation items for a radiological procedure performed mainly in conjunction with cardiac imaging services and managed under the Cardiac Imaging MoU.

Medicare-funded diagnostic imaging services are managed through four "2003-2008 Quality and Outlays Memoranda of Understanding (MoUs)" between the Commonwealth (as represented by the Department of Health and Ageing) and the diagnostic imaging profession's key representative groups. The MoUs cover radiology, cardiac imaging, nuclear medicine and obstetric and gynaecological ultrasound. The changes have been developed in consultation with the organisations represented on the Radiology MoU Management Committee - the Royal Australian and New Zealand College of Radiologists and the Australian Diagnostic Imaging Association.

Details of the Regulations are provided in the [Attachment](#).

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

The Regulations commence on 1 June 2004.

ATTACHMENT

DETAILS OF THE *HEALTH INSURANCE (DIAGNOSTIC IMAGING SERVICES TABLE) AMENDMENT REGULATIONS 2004 (No. 3)*

Regulation 1 provides for the Regulations to be referred to as the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 3)*.

Regulation 2 provides for the Regulations to commence on 1 June 2004.

Regulation 3 provides for Schedule 1 to amend the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2003*.

Schedule 1 - Amendments

Schedule 1, Part 2

The *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 No. 2* (the Regulations), which came into effect on 1 May 2004, introduced two diagnostic imaging items, 63960 and 63963. These items are Magnetic Resonance Imaging (MRI) of the abdomen and of the abdomen and pelvis for the staging of cervical cancer. The amendments to Schedule 1, Part 2 of the Regulations take account of this change.

Items [1], [2], [3] and [4]

These items amend the rules of interpretation 31, 32, 37 and 38 to extend the range of MRI items specified in these rules. Previously, MRI items up to item 63946 were included in the rules. This item amends these rules to include all items up to item 63963, thereby including items 63960 and 63963 in the rules.

Item [5]

This item introduces a new rule of interpretation, 39A, specifying the limit on the number of MRI services for items 63960 and 63963. Rule 39A(1) specifies that the service described in item 63960 does not apply if a person had previously been provided that service or the service described in item 63963. Rule 39A(2) specifies that the service described in item 63963 does not apply if a person had previously been provided that service or the service described in item 63960.

Schedule 1, Part 3

Expenditure for diagnostic radiology services, with the exception of Magnetic Resonance Imaging (MRI), has been trending below the funding levels agreed in the Radiology 2003-2008 Quality and Outlays Memorandum of Understanding (MoU), which came into effect on 1 July 2003. The Radiology (MoU) Management Committee recommended to the Minister for Health and Ageing that varying increases for radiology services be applied, with the exception of MRI services, to bring Medicare expenditure back towards the target.

Item [6]

This item amends the fee for certain services specified in the table of diagnostic imaging services by applying a general 3% fee increase to the diagnostic radiology items (Group I3) except items 59103, 59903, 59912, 59925, 59971, 59972, 59973, 60918 and 60927. Items 59300 and 59303 have a 6% fee increase applied to them.

