Health Insurance (1991-1992 General Medical Services Table) Regulations 1991 No. 351

EXPLANATORY STATEMENT

STATUTORY RULES 1991 No. 351

Issued by the authority of the Minister for Health, Housing and Community Services

Health Insurance Act 1973

Health Insurance (1991-1992 General Medical Services Table) Regulations

Section 133 of the Health Insurance Act 1973 (the Act) provides that the Governor-General may make regulations for the purposes of the Act.

Section 4 of the Act provides, among other things, that the regulations may prescribe a table of medical services (other than pathology services) in accordance with the form of table set out in Schedule 1 and that, upon commencement of a regulation prescribing a table of medical services, the prescribed table has effect as if it were set out in Schedule 1 in place of the table in that Schedule. The Health Insurance (General Medical Services Table) Regulations prescribe such a table.

Section 9 of the Act provides that Medicare benefits shall be calculated by reference to the fees for general medical services set out in the table of general medical services (the table) in Schedule 1 to the Act.

The 1991-1992 Regulations amend the table of medical services and its rules for interpretation. They replace the 1990-1991 Regulations and incorporate the provisions of Statutory Rules 1990 Nos 342 and 436 and 1991 No 83 which are due to lapse within the next 12 months.

As part of the ongoing review of items in the general medical services table to ensure that they reflect current medical practice, the Medicare Benefits Consultative Committee (MBCC) undertook a review of orthopaedic and hand surgery services and a partial review of dermatological services. Agreement was reached with the Australian Medical Association (AMA) and the relevant professional craft groups on revised item descriptions and the inclusion or deletion of new or obsolete items. The Minister approved the revision of these items in the table on 14 August 1991. The anaesthetic units associated with these items as determined in consultation with the Australian Society of Anaesthetists, and consequential changes, were agreed to by the Minister on 23 September 1991.

The 14BCC also completed its review of ophthalmology services, in consultation with the AMA and the Royal Australian College of ophthalmologists, including revised item descriptions and the inclusion or deletion of new or obsolete services. The Minister agreed to these changes on 9 August 1991.

Among the recommendations concerning oral surgery services included in the Medicare Benefits Review Committee's Second Report of June 1986 was a recommendation that a separate list of items to cover oral and maxillofacial procedures be included in the table (in place of the services previously included in Part 10 of the table) and that the items and descriptions be negotiated between the Department, the Australian Dental Association and the Australian and New Zealand Association of Oral and Maxillofacial Surgeons. A review committee was subsequently established which recommended changes to existing services with new and revised item descriptions, deletions and splitting of items. These recommendations were agreed to by the Minister on 9 August 1991.

The radiotherapy items for brachytherapy and radiation oncology using linear accelerators required amendment to specify the type of equipment used, to enable the Health Insurance Commission to link payments to capital equipment. The Minister approved these amendments on 14 August 1991.

A departmental review, and a review by the Optometrical Benefits Consultative Committee, resulted in the inclusion of a number of new items covering optometrical services. These include the introduction of an item to cover the situation where a further course of attention is necessary within 24 months of a previous initial consultation and the replacement of the single bulk item for subsequent contact lens consultations with separate items for each clinical eligibility criterion. The Minister approved these amendments on 9 August 1991.

As a consequence of the revision of the contact lens items for participating optometrists, a similar structure has been introduced for contact lens items for doctors. The Royal Australian College of Ophthalmologists agreed to the new structure. The Minister approved this structure on 9 August 1991.

A departmental review of the issue of fee differentials for services performed by general practitioners (GP) and specialists (S) resulted in the removal of the differentials for anaesthetic services by increasing all GP anaesthetic fees to the corresponding S level. Removing these differentials recognises in particular that GPs in rural and remote areas are required to provide anaesthetic services more often because of a lack of specialist anaesthetists in those areas. Differentials between GP and S items remaining in other areas will be examined and removed as part of a systematic sequential review of the relevant areas of the table. The changes to the anaesthetic items were approved by the Minister on 14 August 1991.

In its First Report dated November 1985, the Medicare Benefits Review Committee recommended that the items covering the examination of a patient in preparation for anaesthesia be amended to ensure that such examinations are carried out at a separate attendance, that is, not in the operating theatre or an adjoining suite. The Minister approved this amendment on 14 August 1991.

As the result of a Budget initiative, a new item has been introduced into the table to cover a consultation by a specialist ophthalmologist at which refraction is performed. This removes the previous fee differential between the service when provided by a specialist ophthalmologist and an optometrist. This was agreed to by Cabinet on 16 July 1991.

Other minor amendments were required to the wording of items to remove anomalies and ambiguities leading to possible incorrect billing. An item mistakenly deleted at the last amendment to the table was reinserted. These minor amendments were approved by the Minister on 14 August 1991. In addition, a number of items previously covered under section 3C of the Act (Ministerial Determinations) have been transferred into the table.

The restructure of the table into new "Groups" and "Subgroups" (in place of previous "Parts" and "Divisions") reflects more logically the sequence of services contained in the table. The restructure is in line with the recommendations of the Australian National Audit Office in its audit of the Medicare Benefits Schedule (Report No. 26 of December 1989). In addition the item numbering system has been being upgraded to five digits. The restructuring was approved by the Minister on 14 August 1991.

As announced in the 1991-1992 Federal Budget, an increase of 3.57 per cent in the fees for all general medical services is incorporated in the table. Cabinet approved this increase in fees, with effect from 1 November 1991, on 16 July 1991. This fee increase was subsequently deferred until 1 December 1991 in line with the Government's decision to defer other Budget decisions relating to Medicare.

The fee increase of 3.57 per cent was a Government decision based on consideration of movements in the Average Award Rates of Pay Index and the Consumer Price Index and taking into account overall economic policy.