



# **Private Health Insurance (Reinsurance Trust Fund Levy) Amendment Act 2007**

**No. 37, 2007**

**An Act to amend the *Private Health Insurance  
(Reinsurance Trust Fund Levy) Act 2003*, and for  
related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)



---

## Contents

1	Short title .....	1
2	Commencement .....	2
3	Schedule(s) .....	2
<b>Schedule 1—Amendments</b>		<b>3</b>
	<i>Private Health Insurance (Reinsurance Trust Fund Levy) Act 2003</i>	3





# Private Health Insurance (Reinsurance Trust Fund Levy) Amendment Act 2007

No. 37, 2007

---

---

## **An Act to amend the *Private Health Insurance (Reinsurance Trust Fund Levy) Act 2003*, and for related purposes**

[Assented to 30 March 2007]

The Parliament of Australia enacts:

### **1 Short title**

This Act may be cited as the *Private Health Insurance (Reinsurance Trust Fund Levy) Amendment Act 2007*.

---

*Private Health Insurance (Reinsurance Trust Fund Levy) Amendment Act 2007* No. 37, 2007

1

---

## 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.

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provision(s)</b>	<b>Commencement</b>	<b>Date/Details</b>
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.	30 March 2007
2. Schedule 1	1 April 2007.	1 April 2007

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

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

## 3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

## **Schedule 1—Amendments**

### ***Private Health Insurance (Reinsurance Trust Fund Levy) Act 2003***

#### **1 Title**

Omit “**Reinsurance Trust Fund levy on registered health benefits organizations**”, substitute “**risk equalisation levy on private health insurers**”.

#### **2 Section 1**

Omit “*Reinsurance Trust Fund*”, substitute “*Risk Equalisation*”.

Note: This item amends the short title of the Act. If another amendment of the Act is described by reference to the Act’s previous short title, that other amendment has effect after the commencement of this item as an amendment of the Act under its amended short title (see section 10 of the *Acts Interpretation Act 1901*).

#### **3 Section 5 (definition of *Council*)**

Omit “National Health Act”, substitute “*Private Health Insurance Act 2007*”.

#### **4 Section 5 (definition of *National Health Act*)**

Repeal the definition.

#### **5 Section 5**

Insert:

*private health insurer* has the same meaning as in the *Private Health Insurance Act 2007*.

#### **6 Section 5 (definition of *registered health benefits organization*)**

Repeal the definition, substitute:

*registered health benefits organization* means an organisation that was registered under Part VI of the *National Health Act 1953* as in force before 1 April 2007.

#### **7 Section 5 (definition of *Reinsurance Trust Fund*)**

---

Repeal the definition.

**8 Section 5 (definition of *Reinsurance Trust Fund levy*)**

Repeal the definition.

**9 Section 5 (definition of *Reinsurance Trust Fund levy day*)**

Repeal the definition.

**10 Section 5**

Insert:

*risk equalisation levy* means a risk equalisation levy imposed under section 6.

**11 Section 5**

Insert:

*risk equalisation levy day* means a risk equalisation levy day specified in Private Health Insurance (Risk Equalisation Levy) Rules made for the purposes of section 6.

**12 Section 5**

Insert:

*Risk Equalisation Trust Fund* means the Private Health Insurance Risk Equalisation Trust Fund continued in existence under section 318-1 of the *Private Health Insurance Act 2007*.

**13 Section 5 (definition of *supplementary Reinsurance Trust Fund levy day*)**

Repeal the definition.

**14 Section 5**

Insert:

*supplementary risk equalisation levy day* means a supplementary risk equalisation levy day specified in a determination by the Minister under section 6.

**15 Section 6**

Repeal the section, substitute:

---



## 6 Imposition of risk equalisation levy

- (1) Risk equalisation levy is imposed on each private health insurer:
  - (a) on each day specified in the Private Health Insurance (Risk Equalisation Levy) Rules as a risk equalisation levy day for a financial year; and
  - (b) on each day (if any) determined by the Minister, by legislative instrument, as a supplementary risk equalisation levy day for a financial year.
- (2) The Private Health Insurance (Risk Equalisation Levy) Rules must not specify more than 4 levy days for a financial year.
- (3) The determination by the Minister must not specify more than 2 supplementary levy days for a financial year.

## 16 Subsection 7(1)

Omit “rate of Reinsurance Trust Fund”, substitute “rate of risk equalisation”.

Note: The heading to section 7 is altered by omitting “**Reinsurance Trust Fund**” and substituting “**risk equalisation**”.

## 17 Subsection 7(1) (table)

Repeal the table, substitute:

<b>Rate of risk equalisation levy</b>		
<b>Item</b>	<b>The rate of levy imposed on a ...</b>	<b>is the rate that ...</b>
1	risk equalisation levy day	(a) is determined in writing by the Council; and (b) applies on that day.
2	supplementary risk equalisation levy day	(a) is determined in writing by the Minister; and (b) applies on that day.

## 18 Subsection 7(2)

Omit “follow the Ministerial principles determined under subsection 73BC(5B) of the National Health Act”, substitute “comply with the Private Health Insurance (Risk Equalisation Policy) Rules made under the *Private Health Insurance Act 2007*”.

**18A At the end of section 7**

Add:

- (4) An instrument made under paragraph (a) of item 1 or 2 of the table in subsection (1) is not a legislative instrument.

**19 Section 8**

Omit “Reinsurance Trust Fund” (wherever occurring), substitute “risk equalisation”.

**20 After section 10**

Insert:

**10A Private Health Insurance (Risk Equalisation Levy) Rules**

The Minister may, by legislative instrument, make Private Health Insurance (Risk Equalisation Levy) Rules providing for matters:

- (a) required or permitted by this Act to be provided; or
- (b) necessary or convenient to be provided in order to carry out or give effect to this Act.

**21 Transitional provision**

The total number of days in respect of which levy is imposed under the *Private Health Insurance (Risk Equalisation Levy) Act 2003* for the financial year ending on 30 June 2007 must not exceed 6 days.

---

*[Minister's second reading speech made in—  
House of Representatives on 7 December 2006  
Senate on 26 February 2007]*

(189/06)

---

*Private Health Insurance (Reinsurance Trust Fund Levy) Amendment Act 2007* No. 37, 2007

7