

EXPLANATORY STATEMENT

Treatment Principles (2005 Budget and Other Amendments) R7/2005

(Section 90 Veterans' Entitlements Act 1986)

The Purpose and Operation of Instrument R7 of 2005

- To vary the *Treatment Principles* (Instrument No. R8 of 2004) so as to give effect to a 2005-2006 Budget decision and make other variations that correct errors in the *Treatment Principles*.
- The *Treatment Principles* are made under section 90 of the *Veterans' Entitlements Act 1986* and set out the circumstances in which the Repatriation Commission may accept financial liability for treatment provided to veterans or their dependants.
- Part 4 of the *Treatment Principles* enables the Repatriation Commission to accept financial liability for medical services provided by a Local Medical Officer, an other GP or a specialist, to a veteran or dependant, if the service is provided under Commission arrangements.
- The *Treatment Principles* provide that, generally, only services under the Medicare Benefits Schedule (MBS) may be provided to a veteran or dependant under the *Treatment Principles* and such services are only to be provided by a Local Medical Officer or medical specialist - being medical practitioners who provide treatment to veterans or dependants under arrangements with the Repatriation Commission.
- The *Treatment Principles* require Local Medical Officers and medical specialists to bill the Department of Veterans' Affairs or Medicare, not the veteran or dependant, in respect of a service provided under the *Treatment Principles*.
- The 2005-2006 Budget provides for an increase in fees for anaesthetists providing anaesthetic services to eligible veterans. Currently anaesthetist who provide service to eligible veterans under the Repatriation Health Care arrangements can claim payment under two mechanisms, a DVA specific time tiered system and the Medicare

Benefits Schedule (MBS) Relative Value Guide system. From 1 July 2005 the DVA specific time tiered system will be cease and a single claiming system using the MBS Relative Value Guide methodology will be used. The Instrument gives effect to these decisions.

- The Instrument also makes technical amendments to correct errors in the TPs that relate to the calculation of fees for Local Medical Officers (LMOs) who are registered under the DVA Rural Enhancement Initiative which were promised by the Government in the 2004 election campaign.

Documents Incorporated by Reference

- Medicare Benefits Schedule.

Consultation

- No consultation was undertaken by the Repatriation Commission in relation to the Instrument No. R7 of 2005 because the amendments give effect to a Budget decision and make minor technical variations that correct errors in Instrument No. R8 of 2004.

Repatriation Commission