

EXPLANATORY STATEMENT

Select Legislative Instrument 2006 No. 270

Issued by the Authority of the Minister for Health and Ageing

Health Insurance Act 1973

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2006 (No. 4)

Subsection 133(1) of the *Health Insurance Act 1973* (the Act) provides 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.

Subsection 4AA(1) 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 2005* (the Principal Regulations) prescribe such a table.

The purpose of the Regulations is to amend the Principal Regulations to enable Medicare benefits to be paid, from the date the Regulations are registered, for magnetic resonance imaging (MRI) services conducted using specified equipment at the following locations:

- Fremantle Public Hospital, Fremantle WA;
- Gosford Public Hospital, Gosford NSW; and
- Mater Misericordiae Hospital, Townsville Qld.

The conditions under which Medicare benefits will be paid in respect of the MRI units specified above will differ from those in respect of the MRI units currently prescribed in the Principal Regulations. Details of the Regulations are set out 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 are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulations commence on the day they are registered on the Federal Register of Legislative Instruments.

Consultation: Medicare Benefits Schedule funded MRI services are managed through the 2003-2008 Radiology Quality and Outlays Memorandum of Understanding between the Commonwealth, (as represented by the Department of Health and Ageing) and the radiology profession (as represented by the Royal Australian and New Zealand College of Radiologists and the Australian Diagnostic Imaging Association).

Authority: Subsection 133(1) of the
Health Insurance Act 1973

ATTACHMENT

Details of the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2006 (No. 4)*

Regulation 1 – Name of Regulations

This regulation provides that the title of the Regulations is the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2006 (No. 4)*.

Regulations 2 – Commencement

This regulation provides for the Regulations to commence on the day they are registered on the Federal Register of Legislative Instruments.

Regulation 3 – Amendment of the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2005*

This regulation provides that the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2005* (the Principal Regulations) are amended as set out in Schedule 1.

Schedule 1 – Amendments

Item [1]

This item will insert into subrule 31(2) a reference to new paragraph 36(d) of Part 2 of Schedule 1 to the Principal Regulations, which is inserted by item [3] below. This amendment will provide that a Medicare benefit will only be payable for an MRI service performed with the specified equipment where the patient is bulk-billed in respect of the fee for the service.

Item [2]

This item will insert into subrule 34(2) a reference to new paragraph 36(d) of Part 2 of Schedule 1 to the Principal Regulations, which is inserted by item [3] below. This amendment will provide that an MRI service performed with that same specified equipment will only be Medicare eligible if the service is performed under the professional supervision of, and reported by, a specialist in diagnostic radiology who participates in the Royal Australian and New Zealand College of Radiologists' Quality and Accreditation Program.

Item [3]

This item will insert a new paragraph 36(d) into Part 2 of Schedule 1 to the Principal Regulations. This amendment will provide that the three new specified pieces of equipment will be Medicare eligible if the equipment:

- (a) is located at the place specified in the regulations for that equipment; and
- (b) forms part of a comprehensive radiology department at the relevant location that provides, at a minimum, x-ray, computed tomography and ultrasound services; and
- (c) is available for use from 9 am to 5 pm each Monday to Friday (excluding public holidays) for routine services, except for periods reasonably required for necessary maintenance, repairs and upgrades; and
- (d) is available for use at all times for emergency services, except for periods reasonably required for necessary maintenance, repairs and upgrades.

The conditions under which Medicare benefits will be paid differ between the MRI units prescribed in Table 1 and the MRI units prescribed in Table 2. The conditions for MRI units prescribed in Table 2 will guarantee comprehensive access to the communities served by these facilities.