

EXPLANATORY STATEMENT

Select Legislative Instrument 2007 No. 253

Subject: *Health Insurance Act 1973*

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2007 (No. 6)

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.

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. Schedule 1 to the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2006* (the Principal Regulations) prescribes such a table.

The purpose of the Regulations is to amend the Principal Regulations to enable Medicare benefits to be paid, from 24 August 2007 for Magnetic Resonance Imaging (MRI) services performed with a specified piece of MRI equipment located at Goulburn Valley Health, Shepparton, Victoria.

Paragraph 36(d) of Schedule 1 of the Principal Regulations sets out the conditions under which the equipment in question would be regarded as “eligible equipment”. Details of the Regulations are provided in the Attachment.

Consultation

Medicare Benefits Schedule (MBS) funded MRI services are managed through the 2003-2008 Radiology Quality and Outlays Memorandum of Understanding (MoU) 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 (RANZCR) and the Australian Diagnostic Imaging Association (ADIA)). The RANZCR and the ADIA have been consulted about this matter as part of the ongoing management process for the Radiology MoU.

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 24 August 2007.

Details of the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2007 (No. 6)*

Regulation 1 – Name of Regulations

This regulation provides that the title of the Regulations is the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2007 (No. 6)*.

Regulation 2 - Commencement

This regulation provides for the Regulations to commence on 24 August 2007.

Regulation 3 – Amendment of the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2006*

This regulation provides that the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2006* (the Principal Regulations) are amended as set out in Schedule 1.

Schedule 1 – Amendment

Item 1

This item inserts the details of the new MRI unit at Goulburn Valley Health, Shepparton, Victoria into Table 2 at rule 36 of Part 2 of Schedule 1 to the Principal Regulations.

Pursuant to paragraph 36(d) of Part 2 of Schedule 1, the new specified piece of equipment would be 'eligible equipment' only if the equipment:

- (a) is located at the place in Table 2 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.