

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Health and Ageing

Private Health Insurance Act 2007

Private Health Insurance (Health Benefits Fund Policy) Rules 2007(No.2)

Section 333-20 of the *Private Health Insurance Act 2007* (the Act) provides that the Minister may make *Private Health Insurance (Health Benefits Fund Policy) Rules* (the Rules) providing for matters required or permitted by Part 4-4 of the Act, or necessary or convenient in order to carry out or give effect to Part 4-4 of the Act.

The *Private Health Insurance (Health Benefits Fund Policy) Rules 2007 (No.2)* (the Rules) commence on 1 September 2007.

The Rules revoke and replace the *Private Health Insurance (Health Benefits Fund Policy) Rules 2007*.

The change made in the Rules is to remove former rule 4, which related to discounting. This rule is not necessary in light of rule 6 of the *Private Health Insurance (Complying Product) Rules 2007 (No.2)*, which relates to discounting, and which commenced on 1 September 2007.

Consultation on this rule change was not necessary or appropriate as the change is of a minor or machinery nature. It is a change which is consequential to the commencement of the *Private Health Insurance (Complying Product) Rules 2007 (No.2)* on 1 September 2007.

The Act does not specify any conditions which need to be met before the power to make the Rules may be exercised.

Details of the Rules are set out in the Attachment.

These Rules are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Rules commence on 1 September 2007.

Authority: Section 333-20 of the
 Private Health Insurance
 Act 2007

ATTACHMENT

DETAILS OF THE *PRIVATE HEALTH INSURANCE (HEALTH BENEFITS FUND POLICY) RULES 2007 (No.2)***1. Name of Rules**

Rule 1 provides that the title of the Rules is the *Private Health Insurance (Health Benefits Fund Policy) Rules 2007(No.2)*.

2. Commencement

Rule 2 provides for the Rules to commence on 1 September 2007.

3. Revocation

Rule 3 provides for the *Private Health Insurance (Health Benefits Fund Policy) Rules 2007* to be revoked.

4. Definitions

Rule 4 notes that the terms used in these rules have the same meaning as in the Act.

Part 2 Operation of health-related businesses through health benefits funds**5. Insurance for overseas students or specified temporary visa holders**

Subrule 5 (1) provides that requirements are specified in subrule 5(2) for private health insurers who conduct business in respect of overseas students or specified temporary visa holders.

Subrule 5 (2) provides that a private health insurer must not take or fail to take any action, or in making a decision have regard to or fail to have regard to any matter, that would result in the insurer discriminating between people who are, or wish to be insured, under an overseas student health insurance contract or a specified temporary visa holder health insurance contract.

Subrule 5 (3) provides that the term *discriminating* relates to, for example, a person suffering from a chronic disease, illness or other medical condition, gender, race, sexual orientation or religious belief of a person and the frequency with which a person needs hospital treatment or general treatment.

Subrule 5 (4) provides that the terms *overseas student*, *overseas student health insurance contract*, *specified temporary visa holder* and *specified temporary visa holder health insurance contract* have the same meaning as in the *Private Health Insurance (Health Insurance Business) Rules 2007*.