EXPLANATORY STATEMENT

Select Legislative Instrument 2008 No. 151

Health Insurance Act 1973

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2008 (No. 3)

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 2007* (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 for Magnetic Resonance Imaging (MRI) services performed with a specified piece of MRI equipment located at Launceston General Hospital, Tasmania.

Paragraph 36(d) of Schedule 1 to the Principal Regulations sets out the conditions under which the equipment in question is regarded as "eligible equipment". Details of the Regulations are provided in the <u>Attachment</u>.

The Department of Health and Ageing has consulted with the Department of Health and Human Services, Tasmania about the requirements for a MRI unit to be granted Medicare-eligibility at the Launceston General Hospital, such as patient billing arrangements, specifications of the MRI unit, hours of operation and being part of a comprehensive radiology department. The Launceston General Hospital MRI unit will meet all requirements for Medicare-eligibility. The Department of Health and Human Services Tasmania and the Launceston community are keen to see the introduction of Medicare-eligible MRI services at the Launceston General Hospital which is expected to be operational by mid July 2008.

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 21 July 2008.

Details of the Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2008 (No. 3)

Regulation 1 – Name of Regulations

This regulation provides that the title of the Regulations is the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2008 (No. 3).*

Regulation 2 - Commencement

This Regulation provides for the Regulations to commence on 21 July 2008.

<u>Regulation 3 – Amendment of the Health Insurance (Diagnostic Imaging Services Table)</u> <u>Regulations 2007</u>

This regulation provides that the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2007* (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 Launceston General Hospital. Charles Street, Launceston, Tasmania into Table 2 –Eligible equipment at paragraph 36(d) 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 is 'eligible equipment' only if the equipment:

- (a) is located at the place in Table 2 for that equipment with a magnet strength of 1.5Tesla; 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.