

EXPLANATORY STATEMENT

Select Legislative Instrument 2009 No. 114

Health Insurance Act 1973

Health Insurance (Pathology Services Table) Amendment Regulations 2009 (No. 2)

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 pathology services, set out in prescribed tables.

Section 4A of the Act provides that the regulations may prescribe a table of pathology services that sets out items of pathology services, the amount of fees applicable in respect of each item, and rules for interpretation of the pathology services table. The *Health Insurance (Pathology Services Table) Regulations 2008* (the Principal Regulations) currently prescribe such a table.

The Regulations amend the current table of pathology services in the Principal Regulations, as part of the ongoing management of the table.

The purpose of the changes is to increase fees for a small number of high complexity items in Group P5 - Tissue Pathology, which are currently under-remunerated. These items require a high level of professional input and the increase in fees reflects the costs associated with performing examinations on tissue samples and the reporting of these pathology tests. The increases are offset by small fee reductions to a large number of more automated, high volume tests elsewhere in the table.

A number of amendments to descriptors for other items are also being made. These amendments clarify the conditions for claiming these items.

These changes have been developed with the co-operation and support of the three peak pathology bodies, the Royal College of Pathologists of Australasia, the Australian Association of Pathology Practices and the National Coalition of Public Pathology. They have been discussed and agreed by the Pathology Services Table Committee.

Details of the Regulations are set out in the Attachment.

The Act specifies no conditions that need to be satisfied 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 1 July 2009.

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

ATTACHMENT

DETAILS OF THE *HEALTH INSURANCE (PATHOLOGY SERVICES TABLE) AMENDMENT REGULATIONS 2009 (NO. 2)*

1 Name of Regulations

This regulation provides for the Regulations to be referred to as the *Health Insurance (Pathology Services Table) Amendment Regulations 2009 (No. 2)*.

2 Commencement

This regulation provides that the Regulations commence on 1 July 2009.

3 Amendment of the *Health Insurance (Pathology Services Table) Regulations 2008*

This regulation provides that Schedule 1 amends the *Health Insurance (Pathology Services Table) Regulations 2008*, the Principal Regulations.

Schedule 1 Amendments

Item [1]

The following items have schedule fee decreases of between \$0.05 and \$2.30 applied to offset the cost of the increase to tissue pathology schedule fees:

65060, 65066, 65070, 65072, 65075, 65078, 65079, 65081, 65082, 65090, 65093, 65096, 65099, 65102, 65105, 65108, 65109, 65110, 65111, 65114, 65117, 65120, 65123, 65126, 65129, 65137, 65142, 65144, 65147, 65150, 65153, 65156, 65157, 65158, 65159, 65162, 65165, 65166, 65171, 65175, 65176, 65177, 65178, 65179, 65180, 65181, 66517, 66518, 66519, 66536, 66539, 66542, 66545, 66548, 66551, 66554, 66557, 66560, 66563, 66566, 66569, 66572, 66575, 66578, 66581, 66584, 66587, 66590, 66593, 66596, 66599, 66602, 66605, 66606, 66608, 66609, 66623, 66626, 66629, 66632, 66635, 66638, 66639, 66641, 66642, 66644, 66647, 66650, 66651, 66652, 66653, 66655 and 66656.

Items 65084 and 65087 have schedule fee increases of \$3.25 and \$4.15 respectively applied to ensure appropriate fee relativities are maintained.

Item [2] to [4]

Items 66659 and 66660 are amended to specify that the follow-up test result could lie at the relevant reference level, rather than having to be above it. This clarifies when these items should be claimed.

Item 66659 also has a schedule fee decrease to offset cost of the increase to tissue pathology schedule fees.

Item [5]

The following items have schedule fee decreases of between \$0.10 and \$4.60 applied to offset the cost of the increase to tissue pathology schedule fees:

66659, 66662, 66663, 66665, 66666, 66667, 66671, 66674, 66677, 66680, 66683, 66686, 66711, 66712, 66714, 66715, 66716, 66719, 66722, 66723, 66724, 66725, 66728, 66731,

66734, 66743, 66749, 66750, 66751, 66752, 66755, 66756, 66757, 66758, 66761, 66764, 66767, 66770, 66773, 66776, 66779, 66780, 66782, 66783, 66785, 66788, 66789, 66790, 66791, 66792, 66800, 66803, 66804, 66805, 66806, 66812, 66815, 66816, 66817, 66819, 66820, 66821, 66822, 66825, 66826, 66827, 66828, 66830, 71057, 71058, 71059, 71060, 71062, 71064, 71066, 71068, 71069, 71071, 71072, 71073, 71074, 71075, 71076, 71077, 71079, 71081, 71083, 71085, 71087, 71089, 71090, 71091, 71092, 71093, 71095, 71096, 71097, 71099, 71101, 71103, 71106, 71119, 71121, 71123, 71125, 71127, 71129, 71131, 71133, 71134, 71135, 71137, 71139, 71141, 71143, 71145, 71146, 71147, 71148, 71149, 71151, 71153, 71154, 71155, 71156, 71157, 71159, 71163, 71164, 71165, 71166, 71167, 71168, 71169, 71170, 71180, 71183, 71186, 71189, 71192, 71195, 71198, 71200 and 71203.

Items 72830, 72836, 72838, 72846, 72847, 72848, 72849 and 72850 have schedule fee increases applied to better reflect the cost of performing and reporting tissue pathology services.

Item [6]

Item 73059 is amended to indicate that examination could include material obtained by fine needle aspiration where an employee of the Approved Pathology Practitioner also attends the aspiration (item 73063). This allows greater quality of material examined under this item.

Item [7]

Items 73060 and 73061 is amended to indicate that examination could include material obtained by fine needle aspiration where an employee of the Approved Pathology Practitioner also attends the aspiration (item 73063). This allows greater quality of material examined under these items.

Item [8]

Items 73064 and 73065 are amended to indicate that examination could include material obtained by fine needle aspiration where an employee of the Approved Pathology Practitioner also attends the aspiration (item 73063). This allows greater quality of material examined under these items.

Item [9]

The following items have schedule fee decreases of between \$0.05 and \$4.25 applied to offset the cost of the increase to tissue pathology schedule fees:

73287, 73289, 73300, 73305, 73308, 73309, 73311, 73312, 73314, 73315, 73317, 73318, 73320, 73321, 73323, 73521, 73523, 73525, 73527 and 73529.