

## **EXPLANATORY STATEMENT**

### **Select Legislative Instrument 2009 No. 137**

#### *Health Insurance Act 1973*

##### *Health Insurance (Diagnostic Imaging 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.

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 2008* (the Principal Regulations) prescribes such a table.

The purpose of the Regulations is to:

- i) amend the Principal Regulations to enable Medicare benefits to be paid for Magnetic Resonance Imaging (MRI) services conducted using specified equipment located at Cairns Base Hospital, and Rockhampton Hospital, in Queensland;
- ii) insert one new item to enable Medicare benefits to be paid for MRI services used for the initial staging of rectal cancer; and
- iii) amend the formatting of two existing items to ensure consistency with other existing MRI items.

In relation to the new item, initial staging determines how far the rectal cancer has spread. This new item is being introduced as a result of an assessment by the Medical Services Advisory Committee and reflects clinical practice.

Details of the Regulations are provided in the [Attachment](#).

The Department of Health and Ageing consulted with Queensland Health about the requirements for MRI units to be granted Medicare-eligibility at Cairns Base Hospital and Rockhampton Hospital, such as patient billing arrangements, specifications of the MRI unit, hours of operation and being part of a comprehensive radiology department. The Cairns Base Hospital and Rockhampton Hospital MRI units will meet all requirements for Medicare-eligibility. Queensland Health and the North Queensland communities of Cairns and Rockhampton are keen to see the introduction of Medicare-eligible MRI services at the Cairns Base Hospital and Rockhampton Hospital.

The Medical Services Advisory Committee (MSAC) recommended that the Government support public funding of MRI for the initial staging of rectal cancer. The Minister for Health and Ageing has endorsed MSAC's recommendation. Consultation took place with the diagnostic imaging industry and key stakeholders, including the Royal Australian and New Zealand College of Radiologists, the Australian Diagnostic Imaging Association and the

Colorectal Surgical Society of Australia and New Zealand, to develop and finalise the item descriptor, schedule fee level and service delivery models.

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 1 July 2009.

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

## ATTACHMENT

**Details of the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (No. 2)*****Regulation 1 – Name of Regulations**

This regulation provides that the title of the Regulations is the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (No. 2)*.

**Regulation 2 - Commencement**

This Regulation provides for the Regulations to commence on 1 July 2009.

**Regulation 3 – Amendment of the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2008***

This regulation provides that the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2008* (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 units at the Cairns Base Hospital and the Rockhampton Hospital into Table 2 –Eligible equipment for the purposes of paragraph 1(d) of rule 36 in Part 2 of Schedule 1 to the Principal Regulations.

Pursuant to paragraph 36(1)(d) of Part 2 of Schedule 1, the new specified pieces of equipment is ‘eligible equipment’ only if the equipment:

- (a) is located at the location identified in Table 2 for that equipment with a magnet strength of 3.0 tesla; 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.

**Item [2]**

This item substitutes two items 63470 and 63473 and insert one new item 63476 into Part 3 of Schedule 1 to the Principal Regulations.

The substitution amends the formatting of items 63470 and 63473 to ensure consistency with other existing MRI items in Part 3 of Schedule 1. The new item 63476 provides MRI scans for the initial staging of rectal cancer (including cancer of the rectosigmoid and anorectum) if a phased array body coil is used. This new item 63476 is available on one occasion only per patient.