EXPLANATORY STATEMENT

Select Legislative Instrument 2009 No. 226

Health Insurance Act 1973

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (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 2008* (the Principal Regulations) prescribes such a table.

The Regulations amend the Principal Regulations to enable Medicare benefits to be payable for Magnetic Resonance Imaging (MRI) services conducted using specified equipment located at Benson Radiology, Morphett Vale, South Australia. In order for Medicare rebate to be received, the scan must be requested by a specialist medical practitioner or consultant physician, be conducted on a Medicare-eligible MRI unit by a Medicare-eligible provider, and be a MRI service listed in the Medicare Benefits Schedule (MBS).

The Regulations also amend the 'manufacturer and scanner model' of the specified equipment located at Suite 1, 38-40 Urunga Parade, Miranda, New South Wales, due to the replacement of the existing specified equipment with a new model with the same strength.

Details of the Regulations are set out in the Attachment.

The Department of Health and Ageing undertook a competitive application process to select the specified equipment being granted Medicare-eligibility at Morphett Vale. The Department then consulted with the successful applicant about the requirements for the MRI unit to be granted Medicare-eligibility.

Due to the replacement of the existing Medicare-eligible MRI unit at Miranda, it was also necessary for the Department to consult with the service operator about the requirements for the transfer of Medicare-eligibility from the existing unit to the replacement unit in order to finalise the amendments to the Principal Regulations.

The Act specifies no conditions that need to be satisfied before the power to make the Regulations may be exercised.

The Regulations be a legislative instrument for the purposes of the *Legislative Instruments Act* 2003.

The Regulations commence on 14 September 2009.

ATTACHMENT

<u>Details of the Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations</u> 2009 (No. 3)

<u>Regulation 1 – Name of Regulations</u>

This regulation provides that the title of the Regulations is the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (No. 3).*

Regulation 2 - Commencement

This Regulation provides for the Regulations to commence on 14 September 2009.

<u>Regulation 3 – Amendment of the Health Insurance (Diagnostic Imaging Services Table)</u> <u>Regulations 2008</u>

This regulation provide that the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2008* (the Principal Regulations) are amended as set out in Schedule 1.

Schedule 1 – Amendments

Item [1]

This item inserts into Schedule 1, Part 2, subrule 31 (2B)(b) a reference to Benson Radiology, Morphett Vale, South Australia.

Item [2]

This item substitutes the description of the 'manufacturer and scanner model' of the specified equipment located at Suite 1, 38-40 Urunga Parade, Miranda, New South Wales, in Schedule 1, Part 2, Table 3 - Eligible equipment in paragraph 36 (1)(f) of the Principal Regulations.

Item [3]

This item inserts the details of the new MRI unit at Benson Radiology, Morphett Vale, South Australia into Schedule 1, Part 2, Table 3 - Eligible equipment in paragraph 36 (1)(f) of the Principal Regulations.