

EXPLANATORY STATEMENT

Select Legislative Instrument 2009 No. 305

Health Insurance Act 1973

Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (No. 5)

Subsection 133(1) of the *Health Insurance Act 1973* (the Act) provides, in part, 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 2009* (the DIST Regulations) prescribes such a table.

The Diagnostic Imaging Services Table currently contains x-ray items that cover the four separate areas of the spine, being the cervical, thoracic, lumbosacral and sacrococcygeal regions. It is possible for a health professional to request a single or multi-region x-ray (being two, three or four region) for diagnostic purposes.

There is some evidence to suggest that allied health professionals (AHPs – chiropractors, physiotherapists, osteopaths) are requesting excessive and unnecessary numbers of three and four region spinal x-rays.

The Regulations aim to reduce unnecessary patient exposure to radiation providing perverse incentives for AHPs to request these items.

The reduction in the Schedule fee closely aligns these items with the fee for two region spinal x-rays and work as a financial disincentive to requesters and service providers encouraging them to steer away from general multi-region spinal x-rays as a diagnostic starting point unless absolutely necessary.

The Regulations :

- a. reduce the Schedule fee for items 58108 (four region spinal x-ray) and 58115 (three region spinal x-ray) from \$132.90 to \$110.00;
- b. remove requesting rights for AHPs for items 58108 and 58115; and
- c. include two new items, 58120 and 58121 (only applicable to AHPs) limiting the requesting rights for AHPs to either one three region (58121) or one four region (58120) spinal x-ray per patient each calendar year.

Details of the Regulations are provided in the Attachment.

Radiology stakeholders have previously raised concerns about inappropriate requesting of multi-region spinal x-rays by Allied Health Professionals (AHPs – chiropractors, physiotherapists, osteopaths).

Anecdotal evidence of over requesting of items 58108 (four region spinal x-ray) and 58115 (three region spinal x-ray) was provided from the Royal Australian and New Zealand College of Radiologists; the Australian Diagnostic Imaging Association; the Western Australian Department of Health and Diagnostic Imaging Pathways Project; and the Australian Radiation Protection and Nuclear Safety Authority.

This specific proposal was not subject to wide spread consultation because of Budget and Cabinet confidentiality requirements.

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 January 2010.

Details of the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2009 (No 5)*.

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. 5)*.

Regulation 2 - Commencement

This regulation provides for the Regulations to commence on 1 January 2010.

Regulation 3 – Amendment of the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2009*

This regulation provides that the Principal Regulations are amended as set out in Schedule 1.

Schedule 1 – Amendments

Item [1]

This item removes from items 58108 (four region spinal x-ray) and 58115 (three region spinal x-ray), a reference to the schedule fee of \$132.90 and insert a reduced schedule fee of \$110.00 for each item.

Item [2]

This item inserts two new items (58120 and 58121) that reflect items 58108 and 58115 but only applies where the service under either 58120 (three region spinal x-ray) or 58121 (four region spinal x-ray) has not already been performed on the particular patient in the calendar year. The schedule fee for both new items is \$110.00.

These items apply to allied health professionals (chiropractors, osteopaths, physiotherapists).