

## **EXPLANATORY STATEMENT**

Issued by the Authority of the Minister for Health and Ageing

*Private Health Insurance Act 2007*

*Private Health Insurance (Benefit Requirements) Amendment Rules 2011 (No.10)*

Section 333-20 of the *Private Health Insurance Act 2007* (the Act) provides that the Minister may make *Private Health Insurance (Benefit Requirements) Rules* providing for matters required or permitted by Part 3-3 of the Act, or necessary or convenient to be provided in order to carry out or give effect to Part 3-3 of the Act.

The *Private Health Insurance (Benefit Requirements) Rules 2011* (the Principal Rules), which commenced on 1 November 2011, provide for the minimum benefit requirements for psychiatric, rehabilitation and palliative care and other hospital treatment. Schedules 1 to 5 of the Rules set out the minimum levels of benefit, which are payable for hospital treatment. These are benefits for overnight accommodation (Schedules 1 and 2), same day accommodation (Schedule 3), nursing-home type patients (Schedule 4) and second tier default benefits (Schedule 5).

The *Private Health Insurance (Benefit Requirements) Amendment Rules 2011 (No.10)* (the Amendment Rules) amends Schedule 5 of the Principal Rules.

The purpose of the amendment is to update the table at Clause 4 of Schedule 5 of the Principal Rules to:

- add 13 additional facilities that are eligible for second tier default benefits;
- delete one facility that has closed; and
- change an address of one facility.

These changes have increased the table of listed facilities from 361 to 373.

Details of the Amendment Rules are set out in the [Attachment](#).

### **Consultation**

Consultation for changes to Schedule 5 occurred with industry through the Second Tier Advisory Committee (STAC), which includes equal representation from both the private hospital and private health insurance sectors. Facilities wishing to be considered for inclusion in Schedule 5 are individually assessed by the STAC which then makes a recommendation to the Minister as to whether or not the hospital meets the eligibility criteria. This arrangement was negotiated with the private health industry and has been in place since 2004.

PRIVATE HEALTH INSURANCE BRANCH  
DEPARTMENT OF HEALTH AND AGEING  
DECEMBER 2011

## ATTACHMENT

**DETAILS OF THE *PRIVATE HEALTH INSURANCE (BENEFIT REQUIREMENTS) AMENDMENT RULES 2011 (No.10)*****1. Name of Rules**

Rule 1 provides that the title of the Rules is the *Private Health Insurance (Benefit Requirements) Amendment Rules 2011 (No.10)* (the Amendment Rules).

**2. Commencement**

Rule 2 provides that the Amendment Rules commence on the day after registration.

**3. Amendment of *Private Health Insurance (Benefit Requirements) Rules 2011***

Rule 3 provides that the Schedule to the Amendment Rules amends the Principal Rules which commenced on 1 November 2011.

**Schedule – Amendments****Item 1 – Schedule 5, Clause 4 Facilities, Table**

Schedule 5 of the Principal Rules requires a health insurer to pay second tier default benefits for most episodes of hospital treatment provided in private hospital facilities that are specified in Schedule 5 if the health insurer does not have a negotiated agreement with the hospital. Schedule 5 sets a higher minimum level of benefit (for overnight treatment and day only treatment provided in specified facilities) than the minimum benefit set for such treatment by Schedules 1, 2 and 3 of the Principal Rules.

Item 1 provides that the table in Schedule 5, Clause 4 of the Principal Rules is amended to insert the following 13 new facilities:

<b>Name</b>	<b>Address</b>
Imaging@Olympic Park	AAMI Park, Suite 2, 60 Olympic Boulevard, MELBOURNE VIC 3000
Lambton Road Day Surgery	163 Lambton Road, BROADMEADOW NSW 2292
Marie Stopes International Bowen Hills	8 Campbell Street, BOWEN HILLS QLD 4006
Marie Stopes International - Canberra	Level 1 Moore & Alinga Streets, CANBERRA CITY ACT 2601
Marie Stopes International East St Kilda	338 Dandenong Road, EAST ST KILDA VIC 3182
Marie Stopes International Midland Centre	8 Sayer Street, MIDLAND WA 6056
Marie Stopes International Rockhampton	123 Bolsover Street, ROCKHAMPTON QLD 4700
Marie Stopes International Salisbury	11 Hayling Street, SALISBURY QLD 4107
Marie Stopes International Southport	34 Cougal Street, SOUTHPORT QLD 4215
Marie Stopes International Townsville	26 Mcilwraith Street, TOWNSVILLE QLD 4810

Skin and Cancer Foundation (Westmead) Day Procedure Centre	7 Ashley Lane, WESTMEAD NSW 2145
Steele Street Clinic	166 Steele Street, DEVONPORT TAS 7310
Westmed Centre	27 Railway Parade, WESTMEAD NSW 2145

Item 1 provides that the table in Schedule 5, Clause 4 of the Principal Rules is amended to change the address of the following facility:

From:	0015930K:	South Pacific Private Hospital	18 Beach Street, CURL CURL NSW 2096
To:	0015930K:	South Pacific Private Hospital	24 Beach Street, CURL CURL NSW 2096

Item 1 provides that the table in Schedule 5, Clause 4 of the Principal Rules is amended to delete the following facility which closed on 30 September 2011:

Terrace West Endoscopy Centre	18 Limestone Street, IPSWICH QLD 4305
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