

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Health

Private Health Insurance Act 2007

Private Health Insurance (Health Insurance Business) Amendment Rules 2012

Section 333-20 of the *Private Health Insurance Act 2007* (the Act) provides that the Minister may make *Private Health Insurance (Health Insurance Business) Rules* providing for matters required or permitted by Part 4-2 of the Act, or necessary or convenient in order to carry out or give effect to Part 4-2 of the Act.

The *Private Health Insurance (Health Insurance Business) Rules 2010* (the Principal Rules), which commenced on 1 July 2010, provides for inclusions and exclusions to the definitions of 'hospital treatment', 'general treatment' and sets out a range of activities which do not fall within the scope of 'health insurance business' as defined in the Act.

The *Private Health Insurance (Health Insurance Business) Amendment Rules 2012* (the Amendment Rules) amends Rules 4 and 7 of the Principal Rules. Rules 4 and 7 of the Principal Rules specify the statistical information that are required to be provided by hospitals to insurers and by private hospitals to the Department.

The purpose of the Amendment Rules is to give effect to the revised HCP Data from Hospitals to Insurers and the PHDB Data from Private Hospitals to the Department documents, which were approved on 13 May 2012 by the Assistant Secretary of the Private Health Insurance Branch of the Department of Health and Ageing. These documents replace the documents that were referred to in the *Private Health Insurance (Health Insurance Business) Rules 2010* (the Principal Rules) and can be found on the Department of Health and Ageing website at:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-casemix-data-collections-about-HCP>.

Details of the Amendment Rules are set out in the Attachment.

Consultation

In 2011-12, the Department consulted with the private health insurance industry through quarterly HCP Data Working Group meetings regarding minor 'housekeeping' type amendments required to the GT-Dental, HCP1 and HCP2 specifications. HCP Data Working Group meetings comprise of Department and industry stakeholder representatives. Private health insurance stakeholder representatives interested in developing the amendments participated at the HCP Data Working Group meetings. Industry is of the view that it is appropriate for minor amendments to be managed by this Working Group. Previous minor amendments to the data specifications have been managed in this way. The amended data specifications are distributed to industry via a Private Health Insurance Circular.

The Act does not specify any conditions that need to be met before the power to make the Amendment Rules may be exercised.

The Amendment Rules are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Amendment Rules commence on 1 November 2012.

Authority: Section 333-20 of the *Private Health Insurance Act 2007*

ATTACHMENT

DETAILS OF THE *PRIVATE HEALTH INSURANCE (HEALTH INSURANCE BUSINESS) AMENDMENT RULES 2012***Part 1 Preliminary****Section 1 Name of Rules**

Section 1 provides that the title of the Rules is the *Private Health Insurance (Health Insurance Business) Amendment Rules 2012* (the Amendment Rules).

Section 2 Commencement

Section 2 provides that the Amendment Rules are to commence on 1 November 2012.

Section 3 Amendment of *Private Health Insurance (Health Insurance Business) Rules 2010*

Section 3 provides that the Schedule to the Amendment Rules amends the *Private Health Insurance (Health Insurance Business) Rules 2010* (the Principal Rules) which commenced on 1 July 2010.

Schedule – Amendments**Item 1 – Part 2, subrule 4(2)**

Item 1 deletes subrule 4(2) and replaces it with a new subrule 4(2) which defines ***HCP Data from Hospitals to Insurers*** to mean the protocol set out in the document approved by the Assistant Secretary of Private Health Insurance Branch of the Department of Health and Ageing on 13 May 2012.

Item 2 – Part 2, subrule 7(3)

Item 2 deletes subrule 7(3) and replaces it with a new subrule 7(3) which defines ***PHDB Data from Private Hospitals to the Department*** to mean the protocol set out in the document approved by the Assistant Secretary, Private Health Insurance Branch, Department of Health and Ageing on 13 May 2012.

PRIVATE HEALTH INSURANCE BRANCH
DEPARTMENT OF HEALTH AND AGEING
MAY 2012

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Private Health Insurance (Health Insurance Business) Amendment Rules 2012

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Bill/Legislative Instrument

The *Private Health Insurance (Health Insurance Business) Amendment Rules 2012* amend rules 4 and 7 of the *Private Health Insurance (Health Insurance Business) Rules 2010* to specify the statistical information that are required to be provided by hospitals to insurers and by private hospitals to the Department.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

Richard Magor

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Department of Health and Ageing