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## LODGMET OF PRIVATE HEALTH INSURANCE INFORMATION IN ACCORDANCE WITH THE *PRIVATE HEALTH INSURANCE ACT 2007*

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# Explanatory Statement

### General Outline of Instrument

1. This instrument is made under section 282-30 of the *Private Health Insurance Act 2007*.
2. This instrument details the information requirements to be reported to the Commissioner by the Chief Executive Medicare in regard to persons who were members of complying private health insurance funds each financial year.
3. The instrument is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.
4. This instrument revokes the *Lodgment of Private Health Insurance Information in Accordance with the Private Health Insurance Act 2007* instrument (F2013L00627) registered 8 April 2013. The original explanatory statement contained an insufficient description of the consultation undertaken and an ambiguous use of words incorrectly suggested a retrospective commencement date.

### Date of effect

5. The instrument is taken to have commenced on 01 June 2013.
6. This instrument applies retrospectively as the Chief Executive Medicare has already provided information to the Commissioner of Taxation under cover of the instrument to be revoked, F2013L00627. The effect of the legislative instrument is to the advantage of the affected parties as it ensures that any information already provided and yet to be provided is in accordance with section 282-30 of the *Private Health Insurance Act 2007*. Under section 12(2) of the *Legislative Instruments Act 2003* this instrument does not adversely affect the rights or liabilities of any person other than the Commonwealth.

### What is this instrument about

7. The purpose of this instrument is to detail what private health insurance information is to be reported to the Commissioner of Taxation and state the period during which the information is to be lodged.

## What is the effect of this instrument

8. An assessment of the compliance cost impact indicates that the impact will be minimal for implementation and on-going compliance costs. The instrument is routine in nature.

## Background

9. This instrument has been developed to ensure that information in regard to persons, who were insured under a complying health insurance policy during a financial year, is reported to the Commissioner of Taxation by the Chief Executive Medicare within a predetermined period.

## Consultation

10. Section 282-30 of the *Private Health Insurance Act 2007* instructs that the Chief Executive Medicare must provide (report) private health insurance information (data) to the Commissioner of Taxation. In order that the Chief Executive Medicare can report data to the Commissioner of Taxation, each of the thirty-five registered private health insurers must first report their relevant data to Medicare. To this end, the Australian Taxation Office instructs Medicare what data must be reported and in turn, Medicare instructs the private health insurers of the data requirements. Therefore, the ATO developed the data requirements included in this instrument by consulting with Medicare, registered private health insurers and software providers between April 2012 and March 2013.

The consultation involved stakeholders participating in meetings and workshops with direct access to Australian Taxation Office (ATO) staff. Stakeholders were given adequate opportunities to provide advice, seek clarification, and comment on proposals. The opinions of the software providers were especially sought because of their expertise as to the capabilities of the various systems to extract and include data in a reporting file.

The comments received throughout the consultation period were crucial to the formation of the final reporting specifications, which detailed the format and the data to be reported. Health Insurers and their software providers were able to articulate the abilities of their respective systems in relation to a report that could be submitted in accordance with ATO requirements. Where feedback was received that indicated a reporting proposal would be problematic, alternative options were sought to ensure the information needs of the ATO would be met while not creating an unreasonable burden on industry.

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**Stephen Vesperman**  
**Deputy Commissioner of Taxation**  
13 August 2013

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### Legislative references:

*Private Health Insurance Act 2007*

## **Statement of Compatibility with Human Rights**

This Statement is prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

### **Lodgment of Private Health Insurance information in accordance with the *Private Health Insurance Act 2007***

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**

This instrument details the information requirements to be reported to the Commissioner by the Chief Executive Medicare in regard to persons who were members of complying private health insurance funds each financial year.

This instrument applies retrospectively as information has already been provided to the ATO under cover of the instrument to be revoked, F2013L00627. However, the effect of this Instrument is to the advantage of the affected parties as it ensures that any information already provided, and yet to be provided, is in accordance with section 282-30 of the *Private Health Insurance Act 2007*.

#### **Human rights implications**

This legislative instrument does not engage any of the applicable rights or freedoms as it simply provides guidance on the private health insurance information required to be reported to the ATO and the period within which it must be lodged.

#### **Conclusion**

This legislative instrument is compatible with human rights as it does not raise any human rights issues.

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**Stephen Vesperman**  
**Deputy Commissioner of Taxation**  
13 August 2013

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