



Medical and Midwife Indemnity Legislation Amendment (Run-off Claims) Rules 2021

I, Greg Hunt, Minister for Health and Aged Care, make the following Rules.

Dated 22 June 2021

Greg Hunt
Minister for Health and Aged Care

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1 Name

This instrument is the *Medical and Midwife Indemnity Legislation Amendment (Run-off Claims) Rules 2021*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after registration.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the following:

- (a) the *Medical Indemnity Act 2002*;
- (b) the *Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010*.

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Medical Indemnity Rules 2020

1 Section 10

Repeal the section (not including the heading), substitute:

- (1) For the purposes of subsection 34ZS(4) of the Act, the rate of interest, for a financial year, is the rate as worked out using the following formula:

$$\frac{\text{index number for the latest March quarter}}{\text{index number for the earlier March quarter}}$$

where:

index number, in relation to a quarter, means the All Groups Consumer Price Index number that is the weighted average of the 8 capital cities and is published by the Australian Statistician in respect of that quarter.

earlier March quarter, in respect of a financial year, means the index number for the March quarter before the latest March quarter in respect of that financial year.

latest March quarter, in respect of a financial year, means the index number for the March quarter before the beginning of the financial year.

Example: For the 2020–21 financial year, the index number for the latest March quarter is the index number for the quarter ending March 2020 and the index number for the earlier March quarter is the index number for the quarter ending March 2019.

- (2) A rate of interest is to be worked out to 3 decimal places.
- (3) If a rate of interest worked out under subsections (1) and (2) would, if it were worked out to 4 decimal places, end in a number that is greater than 4, the rate is to be increased by 0.001.
- (4) If a rate of interest worked out under subsections (1), (2) and (3) would be less than 1, the rate is to be increased to 1.
- (5) Subject to subsection (6), if at any time (whether before or after the commencement of this section), the Australian Statistician publishes an index number for a quarter in substitution for an index number previously published by the Statistician for that quarter, the publication of the later index number is to be disregarded for the purposes of this section.
- (6) If at any time (whether before or after the commencement of this section) the Australian Statistician changes the index reference period for the Consumer Price Index, regard is to be had, for the purposes of applying this section after the change takes place, only to index numbers published in terms of the new index reference period.

***Midwife Professional Indemnity (Commonwealth Contribution)
Scheme Rules 2020***

2 Section 10

Repeal the section (not including the heading), substitute:

- (1) For the purposes of subsection 44(4) of the Act, the rate of interest, for a financial year, is the rate as worked out using the following formula:

$$\frac{\text{index number for the latest March quarter}}{\text{index number for the earlier March quarter}}$$

where:

index number, in relation to a quarter, means the All Groups Consumer Price Index number that is the weighted average of the 8 capital cities and is published by the Australian Statistician in respect of that quarter.

earlier March quarter, in respect of a financial year, means the index number for the March quarter before the latest March quarter in respect of that financial year.

latest March quarter, in respect of a financial year, means the index number for the March quarter before the beginning of the financial year.

Example: For the 2020–21 financial year, the index number for the latest March quarter is the index number for the quarter ending March 2020 and the index number for the earlier March quarter is the index number for the quarter ending March 2019.

- (2) A rate of interest is to be worked out to 3 decimal places.
- (3) If a rate of interest worked out under subsections (1) and (2) would, if it were worked out to 4 decimal places, end in a number that is greater than 4, the rate is to be increased by 0.001.
- (4) If a rate of interest worked out under subsections (1), (2) and (3) would be less than 1, the rate is to be increased to 1.
- (5) Subject to subsection (6), if at any time (whether before or after the commencement of this section), the Australian Statistician publishes an index number for a quarter in substitution for an index number previously published by the Statistician for that quarter, the publication of the later index number is to be disregarded for the purposes of this section.
- (6) If at any time (whether before or after the commencement of this section) the Australian Statistician changes the index reference period for the Consumer Price Index, regard is to be had, for the purposes of applying this section after the change takes place, only to index numbers published in terms of the new index reference period.