

## EXPLANATORY STATEMENT

### *Health Insurance Act 1973*

#### *Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022*

Subsection 3C(1) of the *Health Insurance Act 1973* (the Act) provides that the Minister may, by legislative instrument, determine that a health service not specified in an item in the general medical services table (the Table) shall, in specified circumstances and for specified statutory provisions, be treated as if it were specified in the Table.

The Table is set out in the regulations made under subsection 4(1) of the Act. The most recent version of the regulations is the *Health Insurance (General Medical Services Table) Regulations 2021*.

Subsection 10(1) of the Act provides that a Medicare benefit is payable, calculated in accordance with subsection (2), in respect of a professional service rendered in Australia to an eligible person. Subsection 10(2) of the Act provides a benefit is calculated as 75% of the fee for an episode of hospital treatment or hospital-substitute treatment if the person to whom the treatment is provided chooses to receive a benefit from a private health insurer. In any other case the benefit is 85%, or 100% if prescribed in regulations.

This instrument relies on subsection 33(3) of the *Acts Interpretation Act 1901* (AIA). Subsection 33(3) of the AIA provides that where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

#### **Purpose**

The purpose of the *Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022* (Amendment Determination) is to amend the schedule fees for four items, items 2733, 2735, 941 and 942 in Schedule 4 of the *Health Insurance (Section 3C General Medical - Expansion of GP and Allied Health Mental Health Services) Determination 2020* (Expansion of Mental Health Services Determination).

In 2004, the Government announced a number of policies to increase the bulk-billing rate for General Practitioner (GP) services. One of those measures was the *Health Insurance Amendment (100% Medicare Rebate and Other Measures) Act 2004* which amended section 10 of the *Health Insurance Act 1973*, to prescribe services (that are not hospital services) which have a benefit calculated as 100% of the scheduled fee. The benefit for GP items increased from 85% of the schedule fee to 100% of the fee. Ongoing GP items are currently prescribed in subsection 28(1) of the *Health Insurance Regulations 2018* (HIR).

On 1 November 2022, *Health Insurance Legislation Amendment (2022 Measures No. 3) Regulations 2022* will prescribe items 2733, 2735, 941 and 942 in subsection 28(1) of the HIR to change the benefit calculation from 85% to 100% of the fee.

The Amendment Determination will make an administrative change to reduce the schedule fee for items 2733, 2735, 941 and 942, so that the benefit paid for these services remains unchanged from 1 November 2022.

**Consultation**

No consultation was undertaken on the change in the Amendment Determination as it is administrative in nature.

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

The Amendment Determination commences on the 1 November 2022.

The Amendment Determination is a legislative instrument for the purposes of the *Legislation Act 2003*.

Authority: Subsection 3C(1) of the  
*Health Insurance Act 1973*

## ATTACHMENT

***Details of the Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022***Section 1 – Name

Section 1 provides for the Amendment Determination to be referred to as the *Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022*.

Section 2 – Commencement

Section 2 provides that the Amendment Determination commences on 1 November 2022.

Section 3 – Authority

Section 3 provides that the Amendment Determination is made under subsection 3C(1) of the *Health Insurance Act 1973*.

Section 4 – Schedules

Section 4 provides that each instrument that is specified in a Schedule to this Amendment Determination is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Amendment Determination has effect according to its terms.

Schedules***Health Insurance (Section 3C General Medical - Expansion of GP and Allied Health Mental Health Services) Determination 2020 (Expansion of Mental Health Services Determination)***

**Amendment item 1** amends section 11 of the Expansion of Mental Health Services Determination, which contains the flag fall amounts for attendance services provided to the first patient attended during a residential aged care facility visit. This change will ensure the flag fall amounts for the first GP or OMP service under item 2733, 2735, 941 or 942 provided during a residential aged care facility visit remain unchanged, following the change in the benefit calculation for these items from 85% to 100% of the schedule fee.

**Amendment items 2 to 5** amends the schedule fee for items 2733, 2735, 941 and 942 in Schedule 4 of the Expansion of Mental Health Services Determination, reducing the fee so that benefit paid for the service remains unchanged from 1 November 2022.

## Statement of Compatibility with Human Rights

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

*Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022*

This 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 Determination

The purpose of the *Health Insurance (Section 3C General Medical – Expansion of GP and Allied Health Mental Health Services) Amendment (Fee Alignment) Determination 2022* (Amendment Determination) is to amend the schedule fees for four items, items 2733, 2735, 941 and 942 in Schedule 4 of the *Health Insurance (Section 3C General Medical - Expansion of GP and Allied Health Mental Health Services) Determination 2020* (Expansion of Mental Health Services Determination).

In 2004, the Government announced a number of policies to increase the bulk-billing rate for General Practitioner (GP) services. One of those measures was the *Health Insurance Amendment (100% Medicare Rebate and Other Measures) Act 2004* which amended section 10 of the *Health Insurance Act 1973*, to prescribe services (that are not hospital services) which have a benefit calculated as 100% of the scheduled fee. The benefit for GP items increased from 85% of the schedule fee to 100% of the fee. Ongoing GP items are currently prescribed in subsection 28(1) of the *Health Insurance Regulations 2018* (HIR).

On 1 November 2022, *Health Insurance Legislation Amendment (2022 Measures No. 3) Regulations 2022* will prescribe items 2733, 2735, 941 and 942 in subsection 28(1) of the HIR to change the benefit calculation from 85% to 100% of the fee.

The Amendment Determination will make an administrative change to reduce the schedule fee for items 2733, 2735, 941 and 942, so that the benefit paid for these services remains unchanged from 1 November 2022.

### Human rights implications

This instrument engages Articles 9 and 12 of the International Covenant on Economic Social and Cultural Rights (ICESCR), specifically the rights to health and social security.

#### *The Right to Health*

The right to the enjoyment of the highest attainable standard of physical and mental health is contained in Article 12(1) of the ICESCR. The UN Committee on Economic Social and Cultural Rights (the Committee) has stated that the right to health is not a right for each individual to be healthy, but is a right to a system of health protection which provides equality of opportunity for people to enjoy the highest attainable level of health.

The Committee reports that the '*highest attainable standard of health*' takes into account the country's available resources. This right may be understood as a right of access to a variety of public health and health care facilities, goods, services, programs, and conditions necessary for the realisation of the highest attainable standard of health.

### *The Right to Social Security*

The right to social security is contained in Article 9 of the ICESCR. It requires that a country must, within its maximum available resources, ensure access to a social security scheme that provides a minimum essential level of benefits to all individuals and families that will enable them to acquire at least essential health care. Countries are obliged to demonstrate that every effort has been made to use all resources that are at their disposal in an effort to satisfy, as a matter of priority, this minimum obligation.

The Committee reports that there is a strong presumption that retrogressive measures taken in relation to the right to social security are prohibited under ICESCR. In this context, a retrogressive measure would be one taken without adequate justification that had the effect of reducing existing levels of social security benefits, or of denying benefits to persons or groups previously entitled to them. However, it is legitimate for a Government to re-direct its limited resources in ways that it considers to be more effective at meeting the general health needs of all society, particularly the needs of the more disadvantaged members of society.

### *The right of equality and non-discrimination*

The rights of equality and non-discrimination are contained in articles 2, 16 and 26 of the International Covenant on Civil and Political Rights (ICCPR). Article 26 of the ICCPR requires that all persons are equal before the law, are entitled without any discrimination to the equal protection of the law and in this respect, the law shall prohibit any discrimination and guarantee to all persons equal and effective protection against discrimination on any ground such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

### Analysis

This instrument is part of an administrative package that will amend the fee and benefit calculations of items 2733, 2735, 941 and 942 to reflect the arrangements of other GP services. Although this instrument will reduce the fees for items 2733, 2735, 941 and 942, this instrument should be considered with the *Health Insurance Legislation Amendment (2022 Measures No. 3) Regulations 2022*, which will change the benefit calculation to 100% of the fee for these items. Taken together, this package of instruments will maintain the existing rights to health and social security and the existing right of equality and non-discrimination as there will be no change in the amount that is paid for the service. That is, the change is administrative only.

### **Conclusion**

This instrument is compatible with human rights as it maintains the right to health, the right to social security and the right of equality and non-discrimination.

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