

2004-2005-2006

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Private Health Insurance (Prostheses
Application and Listing Fees) Bill 2006**

No. , 2006

(Health and Ageing)

**A Bill for an Act to impose, as a tax, fees in relation
to applications for listing, and listing, of prostheses,
and for related purposes**

Contents

1	Short title.....	1
2	Commencement.....	1
3	Imposition of application fees	2
4	Imposition of listing fees	2
5	Matters relating to fees	2
6	Indexation of maximum fees	3
7	Person liable for fee.....	4
8	Private Health Insurance (Prostheses Application and Listing Fee) Rules.....	4
9	Regulations.....	5

1 **A Bill for an Act to impose, as a tax, fees in relation**
2 **to applications for listing, and listing, of prostheses,**
3 **and for related purposes**

4 The Parliament of Australia enacts:

5 **1 Short title**

6 This Act may be cited as the *Private Health Insurance (Prostheses*
7 *Application and Listing Fees) Act 2006*.

8 **2 Commencement**

9 This Act commences at the same time as the *Private Health*
10 *Insurance Act 2006* commences.

1 **3 Imposition of application fees**

2 (1) The Private Health Insurance (Prostheses Application and Listing
3 Fee) Rules may specify an application fee for applications made
4 under section 72-10 of the *Private Health Insurance Act 2006*.

5 (2) The specified application fee is imposed, and is imposed as a tax.

6 **4 Imposition of listing fees**

7 (1) The Private Health Insurance (Prostheses Application and Listing
8 Fee) Rules may specify an initial listing fee for the purposes of
9 subsection 72-10(5) of the *Private Health Insurance Act 2006*.

10 (2) The specified initial listing fee is imposed, and is imposed as a tax.

11 (3) The Private Health Insurance (Prostheses Application and Listing
12 Fee) Rules may specify an ongoing listing fee for the purposes of
13 section 72-15 of the *Private Health Insurance Act 2006*.

14 (4) The specified ongoing listing fee is imposed, and is imposed as a
15 tax, on each day specified in the Private Health Insurance
16 (Prostheses Application and Listing Fee) Rules as an ongoing
17 listing fee imposition day.

18 (5) The Private Health Insurance (Prostheses Application and Listing
19 Fee) Rules must not specify more than 2 ongoing listing fee
20 imposition days in any period of 12 months.

21 **5 Matters relating to fees**

22 (1) The Private Health Insurance (Prostheses Application and Listing
23 Fee) Rules may specify:

- 24 (a) different application fees under subsection 3(1); or
25 (b) different initial listing fees under subsection 4(1); or
26 (c) different ongoing listing fees under subsection 4(3);
27 for different circumstances.

28 (2) The maximum amount of an application fee or initial listing fee is:

- 29 (a) \$2,000, in relation to an application made in the financial
30 year in which this Act commences; and

- 1 (b) in relation to a later financial year—the amount worked out
2 under section 6.
- 3 (3) The maximum amount of an ongoing listing fee is:
4 (a) \$2,000, in relation to a fee imposed on an ongoing listing fee
5 imposition day in the financial year in which this Act
6 commences; or
7 (b) in relation to a fee imposed on an ongoing listing fee
8 imposition day in a later financial year—the amount worked
9 out under section 6.
- 10 (4) The amount of a fee may be nil.
- 11 (5) Fees do not have to bear any relationship to the cost of the services
12 in relation to which they are payable.

13 **6 Indexation of maximum fees**

- 14 (1) For the purposes of paragraphs 5(2)(b) and (3)(b), the maximum
15 amount of a fee is worked out by multiplying the indexation factor
16 for the financial year by the maximum amount of the fee in the
17 previous financial year.
- 18 (2) The *indexation factor for the financial year* is the amount worked
19 out, to 3 decimal places (rounding up if the fourth decimal place is
20 5 or more), by using this formula:

$$\frac{\text{Sum of index numbers for the quarters in the year ending on 31 March just before the start of the relevant financial year}}{\text{Sum of index numbers for the quarters in the year ending on the previous 31 March}}$$

21

22

where:

23

24

25

26

27

index number, for a quarter, is the All Groups Consumer Price Index number (being the weighted average of the 8 capital cities) published by the Australian Statistician for the quarter and in force at the time the indexation factor for the financial year is worked out under this section.

Section 7

- 1 (3) If the indexation factor for the financial year worked out under
2 subsection (2) is 1 or less, the maximum amount of:
3 (a) an application fee or an initial listing fee in relation to an
4 application made in the financial year; or
5 (b) an ongoing listing fee imposed on an ongoing listing fee
6 imposition day in the financial year;
7 is the previous year's maximum.

8 **7 Person liable for fee**

- 9 (1) A person who makes an application under section 72-10 of the
10 *Private Health Insurance Act 2006* is liable to pay the application
11 fee for the application, at the time the application is made.
- 12 (2) A person who makes an application under section 72-10 of the
13 *Private Health Insurance Act 2006* is, if the Minister grants the
14 application, liable to pay:
15 (a) the initial listing fee for the application, at the time the person
16 is informed of the Minister's decision to grant the
17 application; and
18 (b) the ongoing listing fee, on each subsequent ongoing listing
19 fee imposition day.
- 20 (3) If there is no applicant in relation to a kind of prosthesis because
21 the prosthesis was listed in the Private Health Insurance
22 (Prostheses) Rules in accordance with section 12 of the *Private*
23 *Health Insurance (Transitional Provisions and Consequential*
24 *Amendments) Act 2006*, then the person who was, immediately
25 before the commencement of the *Private Health Insurance Act*
26 *2006*, the sponsor of that prosthesis for the purposes of the
27 *National Health Act 1953* is liable to pay the ongoing listing fee on
28 each ongoing listing fee imposition day.

29 **8 Private Health Insurance (Prostheses Application and Listing Fee)** 30 **Rules**

- 31 The Minister may, by legislative instrument, make Private Health
32 Insurance (Prostheses Application and Listing Fee) Rules,
33 providing for matters:
34 (a) required or permitted by this Act to be provided; or
-

1 (b) necessary or convenient to be provided in order to carry out
2 or give effect to this Act.

3 **9 Regulations**

4 The Governor-General may make regulations prescribing matters
5 necessary or convenient to be prescribed for the purposes of
6 carrying out or giving effect to this Act.