

1993-94-95

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time

(Human Services and Health)

**HEALTH LEGISLATION (PRIVATE HEALTH INSURANCE
REFORM) AMENDMENT BILL (No. 2) 1995**

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(Human Services and Health)

A BILL

FOR

**An Act to amend the *National Health Act 1953*, and for
related purposes**

The Parliament of Australia enacts:

Short title

1. This Act may be cited as the *Health Legislation (Private Health Insurance Reform) Amendment Act (No. 2) 1995*.

Commencement

2.(1) Sections 1, 2 and 3 and Schedule 4 commence on the day on which this Act receives the Royal Assent.

(2) Schedule 1 commences on a day to be fixed by Proclamation.

(3) If Schedule 1 does not commence within the period of 6 months beginning on the day on which this Act receives the Royal Assent, it commences on the first day after the end of that period. 5

(4) Schedule 2 and items 5 and 6 of Schedule 3 are taken to have commenced on 1 October 1995 immediately after the commencement of Schedule 2 to the *Health Legislation (Private Health Insurance Reform) Amendment Act 1995*. 10

(5) Items 1, 2, 3 and 4 of Schedule 3 are taken to have commenced on 29 May 1995 immediately after the commencement of Schedule 1 to the *Health Legislation (Private Health Insurance Reform) Amendment Act 1995*. 15

Amendments

3. The Acts specified in the Schedules to this Act are amended in accordance with the applicable items in the Schedules.

SCHEDULE 1

Section 3

**AMENDMENTS RELATING TO THE HEALTH BENEFITS
REINSURANCE TRUST FUND**

**PART 1—AMENDMENTS OF THE NATIONAL HEALTH ACT
1953**

1. Section 73BB:

Repeal the section, substitute:

**Determinations by the Council in relation to records of registered
health benefits organizations**

“73BB.(1) The Council may determine all or any of the following:

- (a) the records that a registered health benefits organization is to maintain to enable the Council to perform its functions in relation to the Health Benefits Reinsurance Trust Fund;
- (b) the information drawn from those records that a registered health benefits organization is to give to the Council;
- (c) the time within which the information is to be given;
- (d) the form in which the information is to be given.

Note: For the Health Benefits Reinsurance Trust Fund see section 73BC.

“(2) The determination is to be in writing.

“(3) The determination is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.

“(4) A registered health benefits organization must:

- (a) comply with determinations under this section that are in force; and
- (b) keep the records mentioned in paragraph (1)(a) separate and distinct from any other records it maintains.”.

2. Subsection 73BC(1):

Omit the subsection, substitute:

“(1) This section provides for registered health benefits organizations to make payments into the Health Benefits Reinsurance Trust Fund (established under subsection (2)) and for payments to be made out of the Fund to these organizations for the purpose of reallocating the amounts of benefits paid by them. The Commonwealth, States and Territories may also make payments into the Fund for this purpose.”.

3 Subsection 73BC(5A):

Omit “determined pursuant to”, substitute “decided under”.

SCHEDULE 1—continued

4 Subsection 73BC(12):

Omit the subsection, substitute:

“(12) The Council may decide that an amount is to be paid out of the Fund to a registered health benefits organization.”.

SCHEDULE 1—continued

**PART 2—AMENDMENTS OF THE HEALTH LEGISLATION
(PRIVATE HEALTH INSURANCE REFORM) AMENDMENT
ACT 1995**

5 Items 6 to 10 of Schedule 4:

Omit the items.

6. Application

If Schedule 4 to the *Health Legislation (Private Health Insurance Reform) Amendment Act 1995* commences before item 5 of this Schedule, item 5 is taken to have been omitted immediately before that commencement.

SCHEDULE 2

Section 3

**AMENDMENTS OF THE NATIONAL HEALTH ACT 1953
RELATING TO THE COMPLAINTS COMMISSIONER**

1. After Division 5 of Part VIC:

Insert:

“Division 5A—Finance

Application of money

“82ZUGA. The Complaints Commissioner’s money is to be applied only:

- (a) in payment of discharge of the costs, expenses and other obligations incurred by the Commissioner in the performance of his or her functions or the exercise of his or her powers under this Act; and
- (b) in payment of any remuneration and allowances payable under this Act; and
- (c) in making investments under section 82ZUGC; and
- (d) in making any other payment that the Commissioner is authorised or required to make under this Act or any other law.

Application of Division 3 of Part XI of the Audit Act

“82ZUGB.(1) The Complaints Commissioner is taken to be an authority to which Division 3 of Part XI of the *Audit Act 1901* applies.

“(2) The annual report of the Complaints Commissioner under section 63M of that Act as applied by this section must include a summary of:

- (a) the number and nature of complaints received under section 82ZS; and
- (b) the outcomes of any actions taken, recommendations made or investigations conducted in relation to such complaints; and
- (c) the outcomes in relation to complaints referred to another body under section 82ZSC; and
- (d) investigations (if any) conducted by the Complaints Commissioner under section 82ZT; and
- (e) requests (if any) by the Minister under section 82ZTA that the Complaints Commissioner conduct an investigation; and
- (f) the outcomes of investigations conducted under sections 82ZT and 82ZTA.

Investment of money

“82ZUGC. Money of the Complaints Commissioner that is not immediately required for the purposes of the Commissioner may be invested only:

SCHEDULE 2—continued

- (a) on deposit with a bank that is an approved bank within the meaning of section 63J of the *Audit Act 1901*; or
- (b) in Commonwealth securities; or
- (c) in any other manner approved by the Treasurer.

Contracts

“82ZUGD.(1) The Complaints Commissioner must not, without the Minister’s approval, enter into a contract under which the Commissioner is to pay or to receive an amount exceeding \$250,000.

“(2) Subsection (1) does not apply to the investment of money under section 82ZUGC.”.

2 Section 82ZVA:

Repeal the section.

SCHEDULE 3

Section 3

**AMENDMENTS OF THE NATIONAL HEALTH ACT 1953
RELATING TO THE PROVISION OF INFORMATION BY
REGISTERED ORGANIZATIONS**

1. Subsection 73AB(1):

Omit “and the Council”.

2 Subsection 73AB(4):

Omit “under a hospital purchaser-provider agreement in compliance with a requirement of a kind referred to in paragraph 73BD(2)(c)”.

3. After subsection 73AB(4):

Insert:

“(4A) Subsection (4) applies to information given by a hospital or day hospital facility whether or not it was given under a hospital purchaser-provider agreement in compliance with a requirement of a kind referred to in paragraph 73BD(2)(c).”.

4. Subsection 73AB(5):

Omit “and the Council”.

5. Paragraph 82G(1)(ba):

Omit “registered organizations”, substitute “the Department”.

6. Section 82G:

Add at the end:

“(3) The Secretary must provide the information referred to in paragraph (1)(ba) to the Council.”.

SCHEDULE 4

Section 3

**AMENDMENT OF THE NATIONAL HEALTH ACT 1953 RELATING
TO HEALTH INSURANCE BUSINESS**

**1. Subsection 67(4) (paragraph (a) of the definition of
health insurance business):**

After the paragraph insert:

- “(aa) with respect to the happening of an occurrence that ordinarily requires the provision of hospital treatment or relevant health services, whether or not payment of benefits to the insured is dependent upon one or more of the following :
- (i) such treatment or services being provided to the insured;
 - (ii) the insured requiring such treatment or services;
 - (iii) fees or charges being payable by the insured in relation to the provision of such treatment or services; or”.





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