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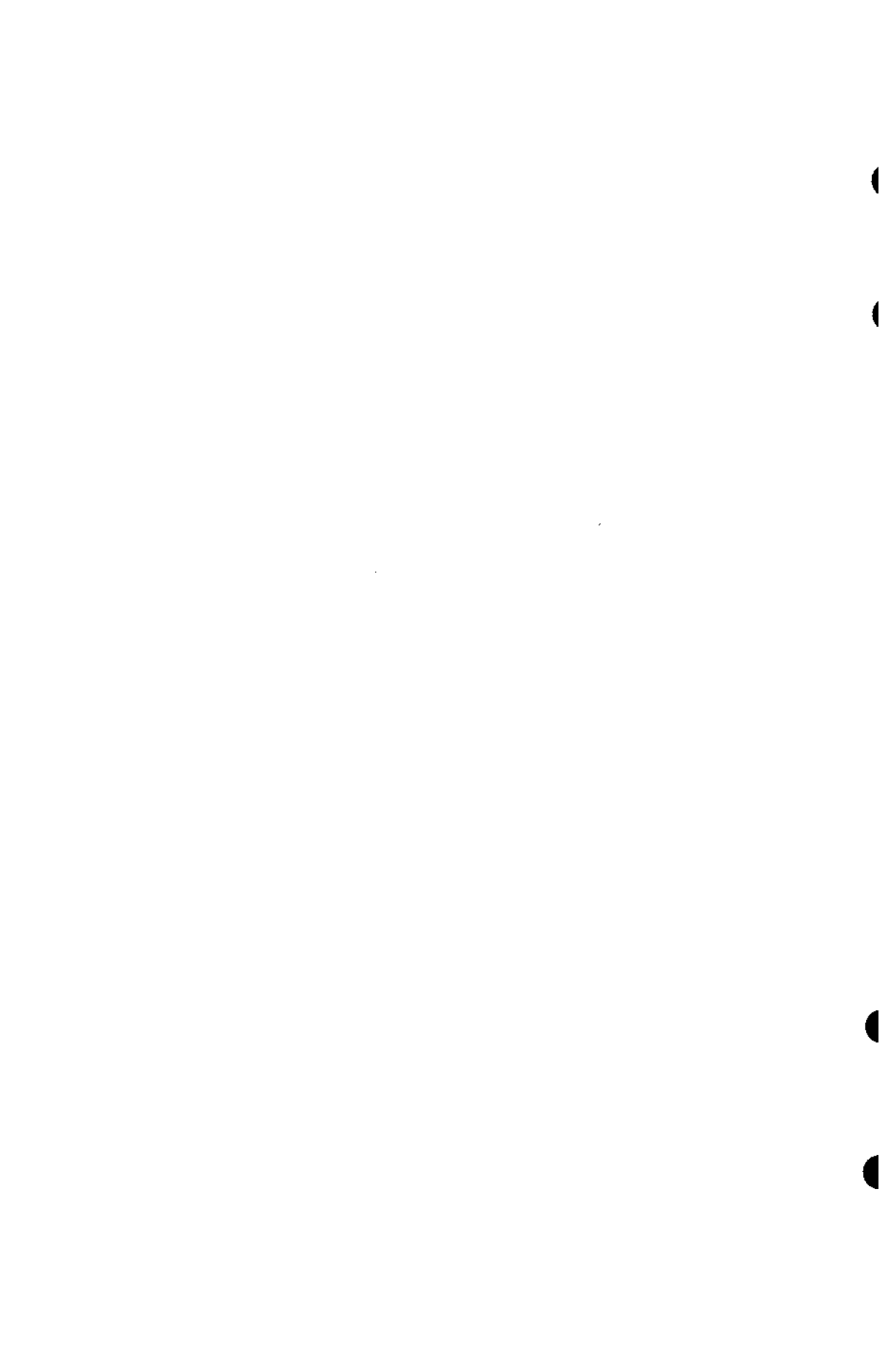
THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VETERANS' ENTITLEMENTS (PROVISION OF TREATMENT) AMENDMENT
BILL 1991

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Veterans'
Affairs, the Hon Ben Humphreys, M.P.)



VETERANS' ENTITLEMENTS (PROVISION OF TREATMENT) AMENDMENT

BILL 1991

OUTLINE AND FINANCIAL IMPACT STATEMENT

This bill provides assurance to the ex-service community in relation to the integration of the Repatriation General Hospitals into the States' health systems. The bill will ensure that the Commonwealth Government will continue to take responsibility for the health care of veterans and war widows after integration takes place.

To this end the bill provides the legislative authority for the establishment of the Repatriation Private Patient Principles which will provide major benefits for veterans following the integration of the Repatriation hospitals into the States' health systems.

The Repatriation Private Patient Principles will form part of the overall scheme for the provision of treatment for veterans and their dependants. The Principles will add to the existing mechanisms under the Veterans' Entitlements Act for the provision of treatment on a private patient basis to eligible persons under Part V of

the Veterans' Entitlements Act. The Principles will also set out circumstances and conditions under which private patient care may be provided to such persons.

The Principles reflect the long-term commitment of the Government to the care and welfare of veterans and their dependants. As such the bill will provide that the Principles will be subject to disallowance. A draft set of the Repatriation Private Patient Principles will accompany the bill.

In addition to providing the legislative basis for the creation of the Repatriation Private Patient Principles, the bill will also amend section 84 of the Veterans' Entitlements Act to confirm the existing right of entitled veterans and dependants to treatment consistent with the requirements of Part V of the Act. The bill also allows for the Repatriation Commission to continue to provide treatment under the existing provisions of the Act, thus allowing for the staggered timetable for integration of the Repatriation hospitals in each State. That is, the existing provisions of the Act relating to treatment rights will continue in force until such time as integration takes place.

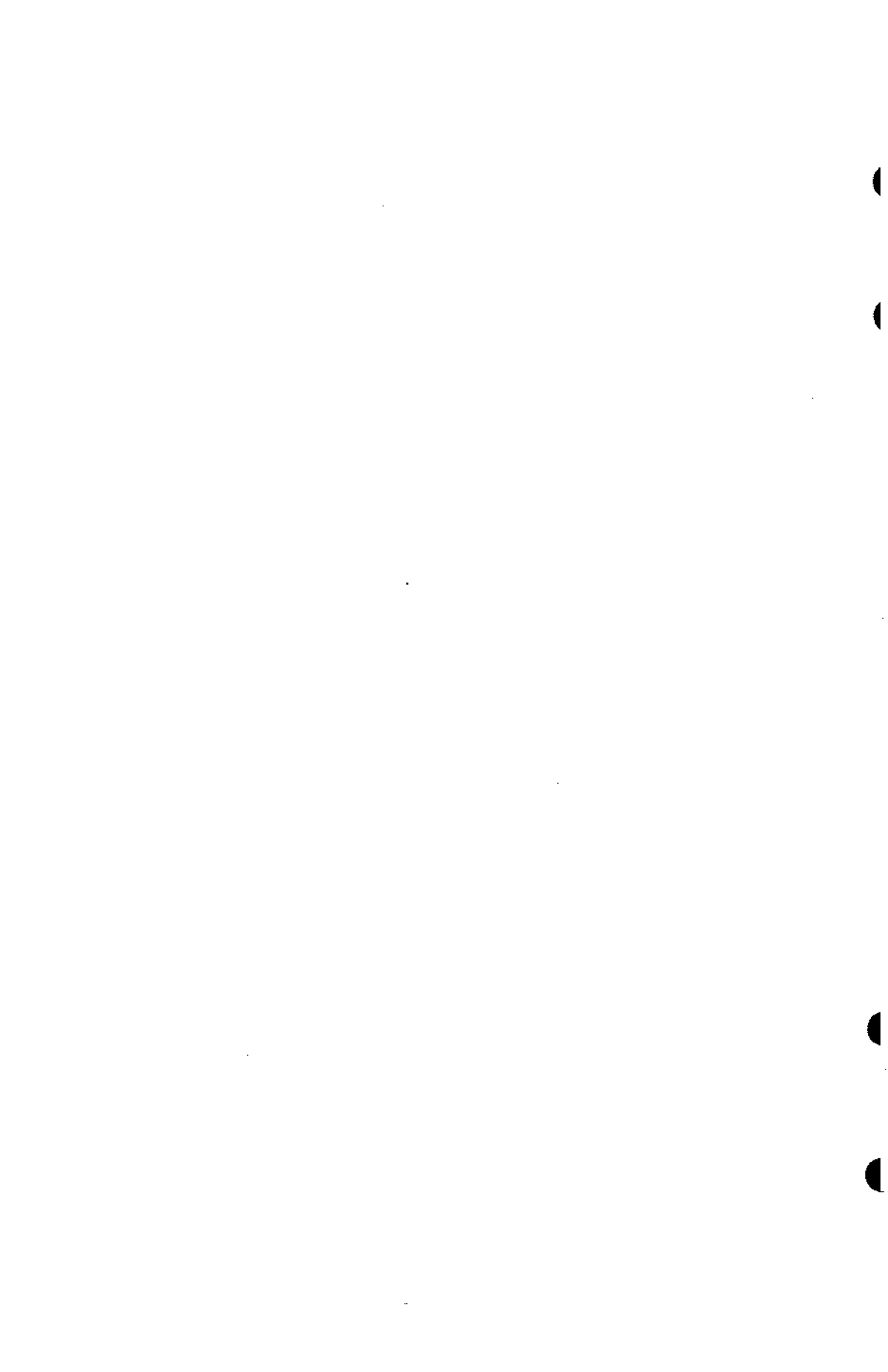
FINANCIAL IMPACT STATEMENT

The transfer of the Repatriation General Hospitals to the States will result in more efficient use of the hospital

system nationally and the concurrent introduction of the Repatriation Private Patient Scheme will offer entitled veterans and war widows better hospital treatment options.

It is not possible to quantify the financial implications arising from the introduction of the Repatriation Private Patient Scheme and the integration of the hospitals into the States' health systems because:

- . negotiations with the States are not complete;
- . the number of veterans and war widows transferring from private health insurance or Medicare is unknown;
- . some additional usage of private hospitals by veterans and war widows is anticipated but it is not possible to quantify this at the present time;
- . details of changes to the Repatriation General Hospitals and consequential staff implications are not yet finalised although the Commonwealth will have a continuing obligation towards transferred staff for a number of years.



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EXPLANATORY MEMORANDUM

Clause 1 : Short title etc

This clause would provide that the amending Act is to be known as the Veterans' Entitlements (Provision of Treatment) Amendment Act 1991. Clause 1 would also provide that in this Act the "Principal Act" means the Veterans' Entitlements Act 1986.

Clause 2 : Commencement

Clause 2 would provide for a number of different commencement provisions to apply in relation to different clauses of the bill. Subclause 2(1) would provide that sections 1, 2, 6 and 7 would commence on the day on which the Act receives Royal Assent. Subclause 2(2) would provide that the remaining provisions commence on a date to be fixed by Proclamation. This subclause is subject to the provisions of subclause 2(3) which would require that if the remaining provisions of the Act do not commence within 6 months from the day on which the Act receives Royal Assent, those provisions would be repealed.

The effect of this commencement provision is to ensure that, in the event the Repatriation Private Patient

Principles are disallowed, the provisions relating to the Principle making powers and the consequential amendments to section 84 of the Principal Act would be repealed.

Clause 3 : Index of definitions and Clause 4 : General definitions

Taken together, these two clauses provide for the insertion, in the appropriate places in the Principal Act, of a reference to, and a definition of, "Repatriation Private Patient Principles". That reference is a reference to the Principles, as in force from time to time, determined by the Repatriation Commission under the proposed new section 90A. The provisions relating to the determination of the Principles require that they be made by instrument approved in writing by the Minister and that the instrument is a disallowable instrument for the purposes of the *Acts Interpretation Act 1901*.

Clause 5 : Provision of treatment

This clause would provide for an amendment to section 84 of the Principal Act by inserting a number of subsections which would provide for the existing provisions of the Act, relating to the Commission's responsibility to provide treatment under the Act, to continue during the phasing in period for the integration of the Repatriation General Hospitals into the States' health systems. At the same time the clause would provide for treatment to

commence in accordance with the provisions of the Repatriation Private Patient Principles in those States in which integration of the hospitals has occurred. The clause would also confirm the Commission's responsibility to take reasonable steps to provide treatment in accordance with Part V of the Act including treatment in accordance with the provisions of the Repatriation Private Patient Principles.

This clause would also ensure that the provisions of subsection 84(2) of the Principal Act, which require the prior approval of the Repatriation Commission before treatment can be provided as a private patient, do not apply if the Repatriation Private Patient Principles require that the provision of treatment does not have to be approved by the Repatriation Commission.

Clause 6 : Determination etc, of Repatriation Private Patient Principles

Clause 6 would insert a new section 90A into the Principal Act. This new section adds to the existing provisions of the Act under which private patient treatment may be authorised. In particular, it provides the authority for the Repatriation Commission to determine the Repatriation Private Patient Principles, setting out circumstances in which treatment provided by the Commission to eligible persons is to be provided to such persons as a private patient.

Subclause 6(2) sets out further provisions for treatment of an eligible person as a private patient, including whether approval by the Repatriation Commission of the treatment is required, whether the exercise of the Commission's power to approve treatment is required before or after the treatment has been given or commenced to be given and where the treatment may be provided.

Subclause 6(3) would provide that the Principles may be amended by the Repatriation Commission in writing at any time.

Subclause 6(4) would provide that a determination or amendment of the Principles would have no effect unless the instrument making the determination or amendment is approved by the Minister in writing.

Subclauses 6(5) and (7) would provide that an instrument determining or amending the Principles that has been approved by the Minister, is a disallowable instrument for the purposes of the *Acts Interpretation Act 1901*.

Subclause 6(6) would ensure that the relevant provisions of the *Acts Interpretation Act 1901* apply in relation to the day on which the instrument is to be taken as having been made and the date of notification of the instrument.

Subclause 6(7) would provide that the Repatriation Commission must make copies of the Principles and any amendments available on application and the payment of the prescribed fee, if any.

Subclause 6(8) would provide that treatment is to be taken to be provided to a person as a private patient in accordance with the Repatriation Private Patient Principles if:

- (a) the treatment is provided to the person who is a private patient of a hospital for the purposes of the *Health Insurance Act 1973*. That Act defines "private patient", in relation to a hospital, to mean an in-patient of the hospital who is not a public patient; and
- (b) treatment is provided by a medical specialist to whom the person has been referred but is not provided at a hospital.

Clause 7 : Repeal of section 90A if subsection 2(3) of this Act operates

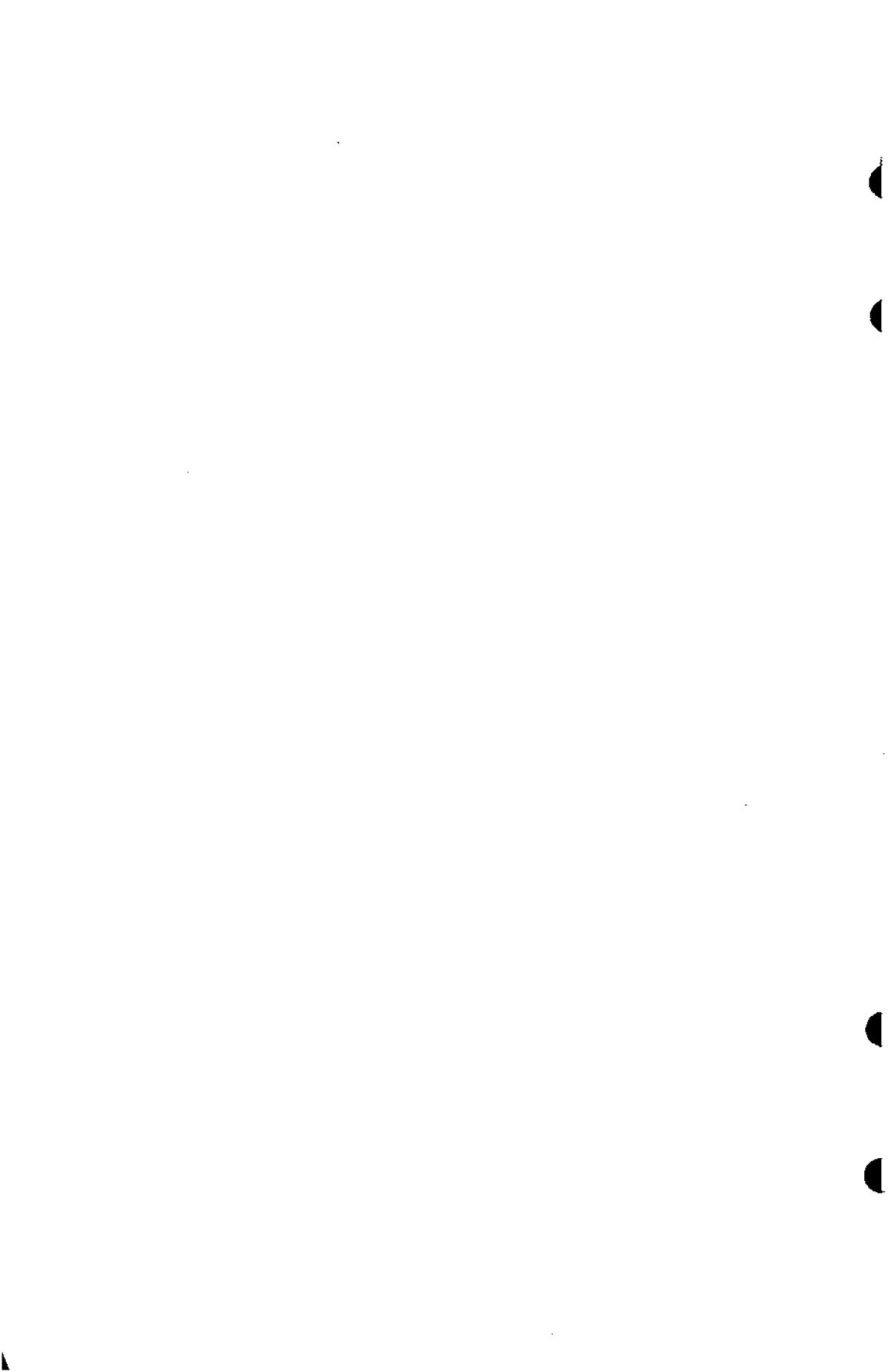
By virtue of clause 2, the Repatriation Private Patient Principle making powers set out in clause 6, would commence on the day the bill receives Royal Assent. Clause 2 would also provide that clauses 3, 4, 5 and 8 would commence on a day to be fixed by Proclamation.

That commencement provision would, however, be subject to subclause 2(3) which would require that if the remaining provisions of the Act do not commence within the period of six months beginning on the day on which the Act receives Royal Assent, those provisions would be repealed on the first day after the end of that period. Clause 7 would provide that in the event the above clauses are repealed in accordance with subclause 2(3), section 90A of the Principal Act would also be repealed on the same day as those provisions are repealed. Commencement of these provisions by Proclamation is dependent on the non-disallowance of the Repatriation Private Patient Principles. In the event that the Principles are disallowed, the Principle making powers and related provisions of the Act would also be repealed.

Clause 8 : Application of Repatriation Private Patient Principles

Clause 8 would insert a new section 90B into the Principal Act to provide that the application of the Repatriation Private Principles in relation to a specified State or Territory would be from a date to be determined by notice in writing published in the Gazette. The date would be a prospective date and would be determined in consultation with the relevant State authorities with whom agreement is to be reached about the arrangements and timing of the integration of the Repatriation General Hospital. This clause would also provide that the Principles are binding on the

Repatriation Commission in the exercise of its powers and discretions in relation to the provision of treatment in a particular State or Territory where a *Gazetta* notice, referred to above, is in force.



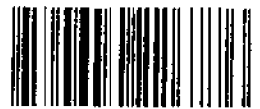
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