

Health Services Amendment (National Health Reform Agreement) Bill 2012

b2011-154-22.d13

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Health Services Act 1997* to make provision for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth and the States and Territories that was agreed to by COAG on 2 August 2011. The Agreement is available at http://www.coag.gov.au/docs/national_health_reform_agreement.pdf. The Bill contains certain common provisions that are to be enacted by the Commonwealth and the States and Territories.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 Amendment of Health Services Act 1997

No 154

Schedule 1 [5] inserts provisions relating to the National Health Funding Pool and Administration, which are set out in proposed Schedule 6A.

Part 1 of proposed Schedule 6A defines words and expressions used in the proposed Schedule and contains other interpretative provisions.

Proposed Part 2 establishes the office of Administrator of the National Health Funding Pool, provides for the appointment (and suspension and termination of appointment) of the Administrator, and provides for his or her functions.

Proposed Part 3 provides for the establishment of a State Pool Account and the payments into and from the Account under the National Health Reform Agreement. The State Pool Account, and the State Managed Fund, will be established by the Director-General of the Ministry of Health.

Proposed Part 4 provides for the financial management and reporting duties of the Administrator, auditing requirements and the exchange of information between the Administrator and the Minister for Health.

Proposed Part 5 disapplies certain NSW legislation and applies equivalent Commonwealth legislation to or in respect of the Administrator and contains other machinery provisions.

Schedule 1 [3] provides that the Minister is to have regard to the National Health Reform Agreement in determining the amount of subsidies paid from the Consolidated Fund to local health districts, statutory health corporations and affiliated health organisations under existing financial provisions of the *Health Services Act 1997*. **Schedule 1 [4]** makes it clear that those provisions do not affect the operation of the provisions in proposed Schedule 6A that relate to health funding arrangements under the National Health Reform Agreement.

Schedule 1 [1], [2] and [6] are minor, consequential amendments.