

FIRST PRINT

**HEALTH ADMINISTRATION (MEDICARE) AMENDMENT  
BILL 1993**

NEW SOUTH WALES



**EXPLANATORY NOTE**

**(This Explanatory Note relates to this Bill as introduced into Parliament)**

The object of this Bill is to amend the Health Administration Act 1982 to adopt the Medicare Principles and Commitments set out in section 26 of the Health Insurance Act 1973 of the Commonwealth.

Section 26 of the Commonwealth Act requires that a State must *adopt* (or make reasonable efforts to adopt) the Principles and Commitments. This is a condition of the grant of financial assistance by the Commonwealth to a State in respect of the provision by the State of public hospital services. Section 26 (8) of the Commonwealth Act provides as follows:

(8) In this section, "**adopt**" means to enact legislation that establishes the Principles and Commitments as guidelines that will govern the delivery of public hospital services to eligible persons in a State, but neither the obligation to enact that legislation, nor the State legislation so enacted, operates to create in any person legal rights not in existence before the enactment of the State legislation, unless the State legislation expressly provides otherwise.

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**Clause 1** specifies the short title of the proposed Act.

**Clause 2** provides that the proposed Act commences on the date of assent.

**Clause 3** amends the Health Administration Act 1982:

- to adopt the Medicare Principles and Commitments, as contemplated by the Commonwealth Act
- to set out the Principles and Commitments in the same form as they appear in the Commonwealth Act, together with explanatory notes
- to provide that the new provisions do not create new legal rights, as contemplated by the Commonwealth Act.

*Health Administration (Medicare) Amendment 1993*

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Provision is made for the new provisions to cease to have effect on a day to be proclaimed. Such action will be necessary in the event of the termination of the Medicare Agreement between the Commonwealth and the State.

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**TABLE OF PROVISIONS**

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**HEALTH ADMINISTRATION (MEDICARE) AMENDMENT  
BILL 1993**

NEW SOUTH WALES



No. , 1993

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**A BILL FOR**

An Act to amend the Health Administration Act 1982 to adopt the Medicare Principles and Commitments set out in the Health Insurance Act 1973 of the Commonwealth.

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*Health Administration (Medicare) Amendment 1993*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Health Administration (Medicare) Amendment Act 1993.

5 **Commencement**

2. This Act commences on the date of assent.

**Amendment of Health Administration Act 1982 No. 135**

3. The Health Administration Act 1982 is amended by inserting after Part 3 the following Part:

10 **PART 4—MEDICARE PRINCIPLES AND COMMITMENTS**

**Medicare Principles and Commitments**

35. (1) The Medicare Principles and Commitments are established as guidelines for the delivery of public hospital services to eligible persons in New South Wales.

15 (2) The Medicare Principles and Commitments are as follows:

**MEDICARE PRINCIPLES**

**The Commonwealth and the States are committed to the following principles in the provision of public hospital services:**

20 Explanatory Note: The Principles focus on the provision of public hospital services to eligible persons, but operate in an environment where eligible persons have the right to choose private health care in public and private hospitals supported by private health insurance.

25 *Choices of services*

**Principle 1: Eligible persons must be given the choice to receive public hospital services free of charge as public patients**

30 Explanatory Note 1: Hospital services include in-patient, out-patient, emergency services (including primary care where appropriate) and day patient services consistent with currently acceptable medical and health service standards.

*Health Administration (Medicare) Amendment 1993*

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- Explanatory Note 2: At the time of admission to a hospital, or as soon as practicable after that, an eligible person will be required to elect or confirm whether he or she wishes to be treated as a public or private patient. 5

*Universality of services*

**Principle 2: Access to public hospital services is to be on the basis of clinical need**

- Explanatory Note 1: None of the following factors are to be a determinant of an eligible person's priority for receiving hospital services: 10
- whether or not an eligible person has health insurance;
  - an eligible person's financial status or place of residence; 15
  - whether or not an eligible person intends to elect, or elects, to be treated as a public or private patient.
- Explanatory Note 2: This principle applies equally to waiting times for elective surgery. 20

*Equity in service provision*

**Principle 3: To the maximum practicable extent, a State will ensure the provision of public hospital services equitably to all eligible persons, regardless of their geographical location** 25

- Explanatory Note 1: This principle does not require a local hospital to be equipped to provide eligible persons with every hospital service they may need.
- Explanatory Note 2: In rural and remote areas, a State should ensure provision of reasonable public access to a basic range of hospital services which are in accord with clinical practices. 30

## COMMITMENTS

**In order to achieve Principles 1 to 3, the Commonwealth and States make the following Commitments regarding public hospital services for eligible persons:**

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*Information about service provision*

**Commitment 1: The Commonwealth and a State must make available information on the public hospital services eligible persons can expect to receive as public patients**

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Explanatory Note 1: The State development of a Public Patients' Hospital Charter in consultation with the Commonwealth will be a vehicle for the public dissemination of this information.

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Explanatory Note 2: The Charter will set out the public hospital services available to public patients.

*Efficiency and quality in service provision*

**Commitment 2: The Commonwealth and the States are committed to making improvements in the efficiency, effectiveness and quality of hospital service delivery**

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Explanatory Note: This includes a commitment to quality improvement, outcome measurement, management efficiency and effort to integrate the delivery of hospital and other health and health-related community services.

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(3) Nothing in this Part gives rise to, or can be taken into account in, any civil cause of action, and, without limiting the generality of the foregoing, nothing in this Part operates to create in any person legal rights not in existence before the enactment of this Part.

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(4) In this Part, "eligible person" and "public patient" have the same meanings as they have in the Health Insurance Act 1973 of the Commonwealth.

(5) This Part ceases to have effect on a day to be appointed by proclamation.

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