

1994

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

PRIVATE HEALTH INSURANCE COMPLAINTS LEVY BILL 1994

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Human
Services and Health, the Hon Dr Carmen Lawrence, MP)

PRIVATE HEALTH INSURANCE COMPLAINTS LEVY BILL 1994

OUTLINE

The purpose of this Bill is to impose a levy on the health benefits funds conducted by registered health benefits organisations. The purpose of the levy is to cover the administrative costs which may be incurred by the Private Health Insurance Complaints Commissioner.

FINANCIAL IMPACT STATEMENT

2. Imposition of the levy is cost-neutral for the Commonwealth.

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Notes on Clauses

Clause 1 : Short title

This clause cites the title of the proposed legislation as the Private Health Insurance Complaints Levy Act 1994.

Clause 2 : Commencement

This clause provides that the commencement date of the Bill is 1 July 1995.

Clause 3 : Interpretation

This clause gives "health insurance business" the same meaning as in section 67 of the National Health Act 1953 and defines "quarter" to mean any period of 3 months in any year commencing on 1 January, 1 April, 1 July or 1 October. This clause also provides that, unless this Bill expresses the contrary intention, the words and expressions used in this Bill have the same meanings as in the National Health Act 1953.

Clause 4 : Act Binds the Crown

This clause provides that the Crown is bound in all its capacities by this Bill.

Clause 5 : Imposition of levy

This clause imposes a levy on registered health benefits organizations for the conducting of health insurance business.

Clause 6 : Rate of levy

This clause provides that the rate of the levy is to be prescribed by regulations, and is to be based on the number of contributors to the health benefits fund conducted by the registered health benefits organization. The regulations may provide for different rates for:

- . contributors whose health insurance coverage extends to themselves only. The maximum levy is to be 25 cents per quarter;
- . contributors whose health insurance coverage extends to others as well. The maximum levy in this case is to be 50 cents per quarter.

Clause 7 : By whom is levy payable?

This clause provides that the registered health benefits organization conducting the health insurance business is responsible for paying the levy.

Clause 8 : When is levy payable?

This clause provides that the levy becomes payable on the day prescribed by the regulations.

Clause 9 : Regulations

This clause provides that the Governor-General may make regulations prescribing matters in accordance with this Bill.

