National Health Amendment Bill 1987

Date Introduced: 25 February 1987
House: House of Representatives
Presented by: Hon. Neal Blewett, M.P., Minister for Health

Digest of Bill

Purpose
To amend the *National Health Act 1953* (the Principal Act) to alter the rules relating to the Pharmaceutical Benefits Scheme.

Background
Under the pharmaceutical Benefits Scheme (PBS), the Government subsidises the cost to patients of all drugs listed on the PBS list. The PBS was substantially amended by the *Health Legislation Amendment Act (No.2) 1986.* The major amendment was an increase in the amount of patient contribution. The amount of contribution for those eligible for the concessional rate, i.e. Health Care cardholders, social security and veterans affairs pensioners, was increased from $2 to $2.50. The general contribution which applies to the general public was increased from $5 to $10. Pharmaceuticals continued to be supplied to Pensioner Health Benefits and Health Benefits cardholders free of charge.

To prevent the new charges having too much of an effect on high users of pharmaceuticals a pharmaceutical benefits entitlement card was introduced. When a person or members of their family has been supplied with 25 pharmaceutical benefits in a prescribed period they are to be issued with the card which will entitle them to free benefits until the end of the prescribed period. The new arrangements came into force on 1 November 1986.

Main Provisions
Section 4 of the Principal Act will be amended to deem pathology services performed on a specimen taken from an in-patient to have been performed while the person was an in-patient. This will extend private insurance to cover such services (clause 3).

A supply of pharmaceuticals will be taken to be included in calculating when the 25 limit has been reached when the prescribed amount of the drug is supplied. Section 84C of the Principal Act will be amended to allow prescriptions that were for the prescribed amount at the time of issue but which have subsequently fallen below the prescribed number as that has been increased, to count towards the 25 limit (clause 4).

Clause 5 will amend section 84E of the Principal Act to remove the requirement for pharmacists and others to retain documents for 12 months. Instead, such
documents are to be forwarded to a prescribed place.

A new section 84HA will be inserted into the Principal Act to provide for the payment of a fee to persons issuing pharmaceutical benefits entitlement cards for the issue or replacement of cards. The fee is to be approved by the Pharmacy Guild of Australia (clause 6).

Section 85B of the Principal Act will be amended to provide a formula for increasing the patient contribution where greater than the prescribed amount of a drug are supplied. The amendment will apply to supplies after the commencement of the clause (clause 8).

Clause 10 will amend section 99 of the Principal Act to take account of any increased patient contribution under section 85B.

A new section 99AB will be inserted into the Principal Act to allow the Minister to make advances of money payable to people who supply pharmaceuticals (clause 11).

For further information, if required, contact the Education and Welfare Group.

21 May 1987
Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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