

EXPLANATORY MEMORANDUM

HEALTHCARE (AMENDMENT NO. 2) BILL 2011

The purpose of the Bill is to make provision for the reimbursement of costs of airfares for persons referred overseas for treatment in circumstances other than medical evacuation. A number of persons each year need to go off Island for medical treatment that is not otherwise available and the Bill is intended to provide some relief for persons who require multiple trips for this purpose and so ensures that if in any financial year a person makes a claim under which the whole cost of non-emergency airfares is paid then any further flights in the same year will attract the \$200 reimbursement.

The proposed amendments provide for the reimbursement of \$200 towards the cost of a patient's airfare and where an escort is approved, of the escort. These payments will not be counted as a medical expense that counts towards the Healthcare threshold of \$2500; nor will they be payable unless the person has already made a claim for full reimbursement under existing provisions.

In addition the payments will be retrospective to the 1st of January of the year in which the Bill becomes law: so assuming the Bill becomes law in 2011 it will be retrospective for claims to the costs incurred on or after 1 January 2011.

In order to clarify issues that have arisen the Bill also clarifies the responsibility of the Manager to make decisions to approve or reject claims without any direction or interference, and for the decisions of the Manager to be open to review by the Court of Petty Sessions. It is also clear that an amount payable by the Administration for reimbursement of an airfare claim (after the first) is not subject to off-set against a debt due to the Administration by the claimant.

The first 3 clauses of the Bill are the usual provisions stating the name of the Bill, its commencement and reference to the principal Act being amended.

Clause 4 changes references to "executive member" in the principal Act to "Minister".

Clause 5 provides that the amendments to the principal Act are in the Schedule.

Clause 6 provides for reimbursement of the additional airfare expenses to be retrospective to the 1st of January of the year this Bill becomes law. As the provision would shortly cease to have any application it is not included as a provision of the principal Act.

Schedule

Item 1 inserts 3 new subsections into section 7B of the principal Act. The first subsection (5) makes it clear that the Manager's responsibilities include making decisions about claims of eligible persons. The second, subsection (6) provides that the Manager is not, in the making of a decision, subject to direction of the Minister, the CEO, or any other person. The final change (subsection (7)) requires the Manager to tell a claimant in writing if a claim is refused and give reasons for so-doing.

Item 2 provides that the reimbursement of airfares for non-emergency flights are not payable unless the Manager is satisfied that the claimant has reached the claims threshold (at present \$2500)

Item 3 makes provision to exclude from the right to set-off amounts due under the principal Act, any amount for reimbursement of the airfares for additional non-emergency travel after the first such claim in a financial year.

Item 4 makes changes to the rules for review of claims decisions in section 31.

Paragraph (1) includes as a reviewable decision, the decision of the Manager to refuse the claim of an eligible person.

Paragraph (2) extends the powers to make decisions by the Court of Petty Sessions to dismiss the whole or part of an application for review and to make an order for costs.

Paragraph (3) substitutes for the existing subsection 31(3) to require the Clerk of the Court to notify the Minister if the Minister's decision is to be reviewed and where their decisions are to be reviewed, the Committee or the Manager as well as the Minister.

Paragraph (4) inserts new subparagraphs that empower the Court to extend time for doing any act if the Court is satisfied the request is reasonable and that the other party will not be unreasonably prejudiced and also enable the applicant for review to ask for an extension of time to lodge an application if the Court is satisfied the reasons for delay are reasonable, the application seems to have merit, and the respondent will not be unreasonably prejudiced.

Item 5 amends the definition of "medical service" in the Schedule of the principal Act by insertion of a paragraph (ea), to include the cost (up to \$200) of non-emergency flight if the person has already in the financial year received the benefit of reimbursement for such a flight under the previous class of "medical service" in paragraph (e).

17 June 2011