

**DOCUMENTS TO BE TABLED ON 23 FEBRUARY 2010:**

- **National Interest Analysis [2010] ATNIA 4**  
**with attachment on consultation**
  
- **Agreement Concerning the Provision of Health Care between the Government of Australia and the Government of the Republic of Slovenia, done at Canberra on 11 March 2009**  
**[2009] ATNIF 8**



# **NATIONAL INTEREST ANALYSIS: CATEGORY 1 TREATY**

## **SUMMARY PAGE**

### **Agreement Concerning the Provision of Health Care between the Government of Australia and the Government of the Republic of Slovenia, done at Canberra on 11 March 2009**

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#### **Nature and timing of proposed treaty action**

1. The proposed treaty action is to bring into force the Agreement Concerning the Provision of Health Care between the Government of Australia and the Government of the Republic of Slovenia (the Agreement).
2. The Agreement was signed on 11 March 2009. Article 7(1) of the Agreement provides for entry into force on the date that the parties notify each other in writing, through the diplomatic channels, that all their respective requirements for its entry into force have been fulfilled. It is proposed that this will occur as soon as is practicable for both parties.

#### **Overview and national interest summary**

3. The Agreement provides residents of either country with reciprocal access to the public health system of the other country for any necessary medical treatment. It contributes to a safer travelling environment for Australians visiting the Republic of Slovenia by giving them access to medical services for ill health which requires immediate medical attention as is clinically necessary for the diagnosis, treatment or care of their condition.

## **Reasons for Australia to take the proposed treaty action**

4. Australia has concluded a number of bilateral medical treatment agreements with countries which have health systems able to provide a high standard of health care equivalent to that available in Australia. The countries with which Australia has already concluded such agreements are New Zealand, the United Kingdom, Italy, Malta, the Netherlands, Sweden, Finland, Belgium and the Republic of Ireland. An agreement with Denmark is expected to come into force in 2011.

5. This Agreement will expand Australia's network of reciprocal health care arrangements. In particular, this Agreement will:

- assist persons with pre-existing medical conditions who are perfectly fit to travel between the two countries but are unable to obtain travel insurance to cover their health needs;
- assist the aged who find it difficult to obtain travel insurance to cover their health needs;
- create a safer environment for tourists, working holiday-makers and business people, which in turn strengthens diplomatic, economic and cultural ties between the two countries; and
- contribute to the protection of Australia's wider public health through the provision of health care to overseas visitors.

## **Obligations**

6. Article 2(1) provides that the Agreement applies to persons of one party who are temporarily staying in the territory of the other party and who are:

- (a) in relation to the Republic of Slovenia, persons covered by compulsory health insurance under the *Health Care and Health Insurance Act 1992*; and
- (b) in relation to Australia, residents under the *Health Insurance Act 1973*.

7. The Agreement also applies to members of a diplomatic mission and their families, but not to persons entering the territory of either party for the specific purpose of treatment.

8. Article 3(1) of the Agreement provides that a person to whom the Agreement applies, who needs immediate medical treatment while in the territory of the other party, shall be provided with medical services which are clinically necessary for the diagnosis, treatment or care of their condition. This medical care is to be provided on the same terms as would apply to insured persons when present in the territory of the Republic of Slovenia or residents when present in the territory of Australia.

9. Article 4 provides that neither party shall be liable to reimburse the other party the costs of medical services provided.

## **Implementation**

10. Section 7(1) of the *Health Insurance Act 1973* provides that the Government of Australia may enter into agreements with the Governments of other countries for the purpose of the provision of medical, hospital and other care to visitors to the host country as if they were residents of that country.

11. Section 7(2) of the *Health Insurance Act 1973* provides that a visitor to Australia to whom an agreement under subsection 7(1) relates shall, subject to the agreement, be treated as an “eligible person” for the purposes of the Act during his or her stay in Australia. This means that, once the Agreement has come into force, the Act will apply automatically to visitors covered by the Agreement.

12. No further legislative action by the Commonwealth or the States and Territories is required to implement the Agreement.

## **Costs**

13. The Agreement has been estimated to cost the Australian Government \$7,000 per annum in health benefits. The Department of Finance and Administration has agreed with this cost estimate.

14. Data from the Australian Bureau of Statistics (ABS) indicate that, typically, around 2,000 Slovenians visit Australia annually, with approximately 1,500 Australians visiting Slovenia annually. The ABS data are likely to underestimate the number of Australian visitors to Slovenia, as Australians travelling in Europe may visit Slovenia without nominating it as a primary destination. The similar numbers of people travelling between Australia and Slovenia is the basis for the reciprocal obligations stipulated in the Agreement. This means that the cost of providing medical care to Slovenian visitors in Australia will be matched by a similar obligation in Slovenia for Australian visitors.

15. Under Australia’s bilateral health treaties, each country absorbs the cost of providing medical care to specified visitors. This permits simplicity in administration which results in negligible operating cost.

## **Regulation Impact Statement**

16. The Office of Best Practice Regulation (OBPR) has been consulted and confirms that a Regulation Impact Statement is not required (OBPR reference number 9958).

## **Future treaty action**

17. Article 5(1) of the Agreement provides that the parties must inform each other as soon as possible of any changes in their legislation which are applicable in their territories and may significantly affect the nature and scope of medical services envisaged under the Agreement.

18. Article 5(2) and (3) provide that matters relating to the interpretation and application of the Agreement shall be resolved by consultation between the parties.

## **Withdrawal or denunciation**

19. Article 7(2) of the Agreement provides that the Agreement shall remain in force until the expiration of 12 months from the date on which either party receives from the other written notice through the diplomatic channel of its intention to terminate the Agreement.

20. Article 7(3) provides that, in the event of the Agreement's termination, it will continue to have effect in relation to medical treatment which was being provided prior to or at the expiry of the 12 month period of notice.

## **Contact details**

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## **ATTACHMENT ON CONSULTATION**

### **Agreement Concerning the Provision of Health Care between the Government of Australia and the Government of the Republic of Slovenia, done at Canberra on 11 March 2009**

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#### **CONSULTATION**

21. Information on the proposed Agreement has been provided to the States and Territories through the Commonwealth-State Standing Committee on Treaties (SCOT) Schedule of Treaty Action.
22. All State and Territory health authorities were specifically advised of the proposed Agreement with Slovenia in writing on 18 January 2008 and 25 June 2009. Acknowledgements were received from the health departments of Victoria, Queensland and Tasmania.
23. The Medicare Eligibility Section of Medicare Australia has been made aware of the proposed Agreement with Slovenia.
24. A draft of the National Interest Analysis was circulated to State and Territory SCOT representatives for comment—no substantive comments were received.
25. The Department of Foreign Affairs and Trade was regularly informed of progress on negotiation of the proposed Agreement.