

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH AND AGEING PORTFOLIO**

**Supplementary Budget Estimates 2012 – 2013, 17 & 19 October 2012**

**Question: E12-001**

**OUTCOME 3: Access to Medical Services**

**Topic: MAGNETIC RESONANCE IMAGING (MRI) LICENCE FOR PORT  
MACQUARIE**

**Type of Question: Written Question on Notice**

**Number of pages: 2**

**Senator: Senator Williams**

**Question:**

- a) At the time of the announcement of an MRI licence for Port Imaging Pty Ltd, was the company operating a facility?
- b) On what grounds was the licence accredited to Port Imaging Pty Ltd, and were all criteria met?
- c) What were the criteria for the licence?
- d) Were there any discrepancies in the application details that warranted further investigation?
- e) Is the Department aware of any move to sell the licence?
- f) How does the Department justify the granting of a second MRI licence to Port Macquarie when a larger nearby centre, Taree, has none?
- g) When will the next round of MRI licences be announced?

**Answer:**

- a) No, the company was not operating a facility in Port Macquarie.
- b) Port Imaging met the criteria for a planned unit.
- c) To be considered to be granted Medicare eligibility, diagnostic imaging providers were required to have evidence of either an operational or planned unit on or before 10 May 2011. Providers had to have been providing Magnetic Resonance Imaging (MRI) services to patients on or before 10 May 2011 for it to be deemed operational. Non-operational or 'planned' Medicare-ineligible Magnetic Resonance Imaging (MRI) unit must have had evidence of an arrangement or contractual obligation which

demonstrated a financial investment into the provision of an MRI service on or prior to 10 May 2011. Evidence included:

- i) Purchase of an MRI or associated equipment for a new unit;
  - ii) Evidence of capital works to house a new unit;
  - iii) Evidence of an agreement between a hospital and a private provider to install an MRI unit at a hospital; or
  - iv) Evidence of a committed planning process, eg a development application to local council.
- d) No.
- e) No. Medicare eligibility is not a commercial commodity.
- f) At the time of assessment, there were no diagnostic imaging providers in Taree who met the criteria.
- g) On 5 November 2012 an additional 12 full Medicare-eligible MRI units were granted Medicare eligibility as a result of the Areas of Need Invitation to Apply process. Healthcare Imaging Services at Taree was a successful applicant in this process with a commencement date of 1 January 2013.