

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2010

Finance and Deregulation Portfolio

Outcome 1, Program 1.1

Topic: Private Health Insurance Tiers – Regulation Impact Statement Compliance.

Question reference number: F17

Type of Question: Hansard F&PA 43, 26 May 2010

Date set by the committee for the return of answer: 9 July 2010

Number of Pages: 1

Senator Ryan asked:

Did you make such a determination about introducing tiers to private health insurance, with thresholds or means testing?

Answer:

The proposal to introduce private health insurance incentive tiers was given effect through the Fairer Private Health Insurance Incentives Bill 2009, Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 and Fairer Private Health Insurance Incentives (Medicare Levy Surcharge - Fringe Benefits) Bill 2009. This proposal was granted 'exceptional circumstances' by the Prime Minister and a Regulation Impact Statement (RIS) was not required at the decision making stage. The Treasury will be required to undertake a post-implementation review within one to two years of the regulation being implemented. (See pages 35, 36 and 50 of the Best Practice Regulation Report 2008/09)