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PRIVATE HEALTH INSURANCE ADVISORY PANEL

ANALYSIS

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A BILL INTITULED

An Act to establish an advisory panel to inquire into and report on private health insurance policies

WHEREAS—

- 5 A. This Parliament is committed to a public health system that will deliver on the basis of need and not financial ability to pay:
- B. There has been grave concern over the inability of the public health system to deliver timely quality service to the people of New Zealand ever since the reforms of 1991:
- 10 C. The aforesaid inability impacts on the types of private health insurance policies that are offered:
- D. People who have enjoyed the cover and benefit of private health insurance are reported to have been frequently finding that on attaining the age of 60 years their premiums have increased significantly and even doubled:
- 15 E. The types of private health insurance policies available to senior citizens need to be inquired into:
- F. Public policy needs to be developed to ensure that private health insurance policies are fair and transparent:
- 20 G. Without certainty in public policy the private health insurance industry cannot offer clients comprehensive, consistent, predictable cover or charges:

BE IT THEREFORE ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Private Health Insurance Advisory Panel Act 1997.

(2) This Act comes into force on the day on which it receives the Royal assent. 5

2. Interpretation—In this Act, unless the context otherwise requires,—

“Joint Ministers” means the Minister of Health and the Minister for Senior Citizens: 10

“Private Health Insurance Advisory Panel” or “Panel” means the Private Health Insurance Advisory Panel established by section 3:

“Senior citizen” means a person 60 years of age or more.

3. Panel established—There is established a panel to be called the Private Health Insurance Advisory Panel. 15

4. Functions of Panel—The Panel is to inquire into and report to the joint Ministers on the following matters:

(a) The types of private health insurance policies that are available and the premiums that are payable, with special reference to senior citizens: 20

(b) The public policies that are necessary to ensure that private health insurance policies are fair and transparent, and how they may be implemented.

5. Membership of Panel—The Panel consists of the following members appointed by the joint Ministers: 25

(a) One person to be Chairperson of the Panel:

(b) One person to be Deputy Chairperson of the Panel:

(c) Two persons to be appointed after consultation with private health insurance providers: 30

(d) One person to be appointed after consultation with organisations for superannuitants and retired persons:

(e) One person to be appointed after consultation with the New Zealand Council of Trade Unions: 35

(f) One person to be appointed after consultation with the Consumers' Institute.

6. Report by Panel—(1) The Panel must report to the joint Ministers its findings, opinions, and conclusions on the matters specified in section 4, together with such recommendations as the 40

Panel thinks fit to make in respect of those matters, by the expiration of 3 months from the day on which this Act comes into force or such further period as the joint Ministers determine.

- 5 (2) The joint Ministers must lay a copy of the report before the House of Representatives not later than 6 sitting days after they have received the report.

7. Proceedings of Panel—(1) The Panel may regulate its procedures in such manner as it thinks fit.

- 10 (2) The powers of the Panel are not affected by a vacancy in its membership, nor by the absence at any time of any member.

- 15 **8. Remuneration and travelling allowances**—The members of the Panel are to be paid such fees, salaries, and allowances, and such travelling allowances and expenses, as the joint Ministers determine.

9. Expiry of Act—This Act expires upon the joint Ministers laying a copy of the report before the House of Representatives in accordance with **section 6**.

