



Australian Government

Department of Health

INVITATION TO APPLY (ITA) FOR FULL MEDICARE ELIGIBILITY DEED FOR MAGNETIC RESONANCE IMAGING (MRI) EQUIPMENT

ITA – MRI 2018

**ISSUED BY THE AUSTRALIAN GOVERNMENT
DEPARTMENT OF HEALTH**

KEY INFORMATION

Closing Time for Lodging Applications:

- All Applications must be lodged by **5pm Canberra time on Friday, 2 November 2018**.

How to Lodge an Application:

- Applications should be lodged in the format described in [section 7](#), using the process described at [section 8](#).

Contact Details

- All enquiries relating to this ITA process should be directed in writing to MRI.ITA@health.gov.au.

Website

- The website that provides information about this ITA process is at <http://www.health.gov.au/diagnosticimaging>.

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General information about the Invitation to Apply (ITA) process

1. Background and context

On 23 September 2018, the Government announced that it would expand patient access to Medicare-eligible magnetic resonance imaging (MRI) services.

MRI is a sophisticated and expensive technology and successive Governments have ensured that the provision of public funding for MRI is both fair and financially responsible. Accordingly, since its introduction on the Medicare Benefits Schedule (MBS) in 1998, MRI has been carefully managed through a series of targeted application processes as well as provider, requestor and item level restrictions. These controls help to support the provision of high quality, safe and cost effective health care for all Australians both as patients and taxpayers.

Increasing the number of Medicare-eligible MRI machines will help to address access and demand issues that have arisen since the last major expansion round.

Accordingly, the Government has announced:

- a commitment to providing Medicare eligibility for 10 MRI units, effective from 1 November 2018 where possible; and
- an Invitation to Apply (ITA) process to allocate Medicare eligibility to up to 20 additional MRI units, comprising a mix of fully eligible units and upgrades of existing partial units, in metropolitan and regional areas.

It is anticipated that MRI units that obtain or are upgraded to full eligibility as a result of the ITA process will be able to commence rendering Medicare-eligible services from 1 March 2019.

2. Purpose of this ITA

The ITA process is intended to identify MRI equipment for the allocation of Medicare eligibility for MRI services.

Successful applicants will be made an offer to enter into a Deed of Undertaking (Deed) ([Appendix 2](#)) with the Commonwealth that relates to a specified MRI unit. The Deed operates within the Legislative Framework ([Appendix 1](#)). The Deed will enable the specified MRI unit to be used to provide Medicare-eligible services, subject to those services complying with other statutory requirements for payment of Medicare benefits. An offer to enter into a Deed may be conditional on certain requirements first being met, such as the MRI unit becoming operational.

This process does not allocate any form of tradeable 'licence' to a practice. Medicare eligibility is attached to a specified MRI unit via a Deed with the provider of that MRI unit.

This ITA is expressly not a contract between the Department and the applicant and does not constitute an offer to enter into a Deed.

Meeting the criteria in this ITA is not a guarantee that an offer to enter into a Deed will be made.

3. Who can apply

The ITA has two Streams with different minimum application requirements.

Stream 1 – upgrades of partially eligible MRI equipment to full Medicare eligibility

Successful Stream 1 applicants will be offered a Deed for full Medicare eligibility for an existing partially eligible MRI unit. The full eligibility Deed will replace the existing partial eligibility Deed. Stream 1 applicants must meet **all** of the following minimum requirements:

- the applicant has a current Deed for partial Medicare eligibility for the MRI unit to which the application relates; and
- there are no fully Medicare-eligible MRI units at the same practice location.

Stream 2 – Full Medicare eligibility for MRI equipment

Successful Stream 2 applicants will be offered a Deed for full Medicare eligibility for an MRI unit that is not currently Medicare-eligible. Stream 2 applicants must meet **all** of the following minimum requirements:

- the applicant has an operational MRI unit at the practice location to which the application relates, or will have an operational MRI unit at that location by 31 December 2020; and
- there are no fully or partially Medicare-eligible MRI units at the practice location to which the application relates.

Stream 2 does not allow applications for upgrades of existing partially Medicare-eligible MRI units.

A Deed may be offered conferring partial Medicare eligibility to successful Stream 2 applicants.

4. Assessment

Applications in each Stream will be assessed against the [assessment criteria](#) ([Section 15](#) and [Section 16](#)).

During the assessment process significant regard will be given to the Primary Health Network (PHN) in which the MRI unit is located. Preference will be given to applications for MRI units located in PHNs with higher relative need to other PHNs based on the number of fully eligible MRI units per capita in each PHN, with the intention to more evenly distribute the number of fully eligible MRI units per capita across Australia.

The following is a list of all PHNs in order of the lowest number of units per capita to the highest number of units per capita, as at September 2018. The list also accounts for the ten locations already announced by Government under the 2018 MRI expansion.

Table 1: Number of fully eligible MRI units per 100,000 population for all PHNs

PHN name	Fully eligible MRI units per 100,000 population
South Eastern Melbourne	0.3
Perth South	0.4
Eastern Melbourne	0.5
Australian Capital Territory	0.5
Western Sydney	0.5
Brisbane South	0.5
Nepean Blue Mountains	0.5
Country SA	0.6
Brisbane North	0.6
Central and Eastern Sydney	0.6
Hunter New England and Central Coast	0.6
South Eastern NSW	0.7
Gold Coast	0.7
Adelaide	0.7
Country WA	0.8
Northern Sydney	0.8
South Western Sydney	0.8
North Western Melbourne	0.9
Darling Downs and West Moreton	0.9
Perth North	0.9
Central Queensland, Wide Bay, Sunshine Coast	1.0
Gippsland	1.1
Western Victoria	1.1
Tasmania	1.2
Northern Territory	1.2
Murrumbidgee	1.2
Northern Queensland	1.3
Western NSW	1.3
Murray	1.3
North Coast	1.6
Western Queensland	1.6

Source: Department of Health MRI records and estimated resident population 2016, as at September 2018.

You can identify the PHN for a practice location through the PHN website at <http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Locator>.

Applications will be assessed in three stages:

- An initial assessment against the minimum application requirements for the relevant Stream and the Mandatory Criteria.
- Stream 1 applications will be grouped into relevant PHNs and then assessed against the Substantive Criteria, ranked, and considered in terms of the PHN's relative need. The Department will prepare an assessment report for the Minister. Applications for MRI units in PHNs with the highest relative need

will be prioritised, with the intention of better distributing the number of fully eligible MRI units per capita across Australia.

- Stream 2 applications will be grouped into relevant PHNs and then assessed against the Substantive Criteria, ranked, and considered in terms of the PHNs relative need. The Department will prepare an assessment report for the Minister. Applications for MRI units in PHNs with the highest relative need will be prioritised, with the intention of better distributing the number of fully eligible MRI units per capita across Australia.

Although applications for MRI units in PHNs with the highest relative need will be considered ahead of those PHNs with lowest relative need, this does not guarantee an offer will be made to all applicants within highest ranking PHNs. Stream 2 will be assessed after the Stream 1 applicants have been identified to ensure that the relative need for each PHN can be adjusted as a result of the allocation of additional fully eligible units through Stream 1.

It is anticipated that many comprehensive diagnostic imaging practices will be very similar. Substantive Criteria ([Section 16](#)) have therefore been developed to better differentiate between practices.

Where assessment against the Substantive Criteria ([Section 16](#)) results in multiple applications for MRI units in the same PHN being equally ranked, some discretion may be exercised and factors such as whether or not an MRI unit is already operational may be considered.

Following the assessment process, the Department will prepare an assessment report for the Minister in relation to each Stream. The Minister will decide on the successful applicants in each Stream that are to be offered Deeds.

5. Eligibility for Medicare benefits

An overview of the legislative framework relevant to Medicare-eligible MRI services is set out in [Legislative Requirements at Appendix 1](#).

Applicants should rely on their own legal advice regarding legislative requirements and obligations.

6. Timeframes

The Department will contact the successful applicants after they have been selected, to discuss the preparation of a Deed to enable commencement from as early as 1 March 2019.

The Department will not notify unsuccessful applicants until it has notified all successful applicants.

If an applicant is successful, the MRI unit must be fully operational and capable of providing Medicare-eligible services by 31 December 2020. For MRI units that are not yet operational, the applicant must provide evidence to the Department that the unit has been purchased by 30 April 2019 before an offer of a Deed will be made. The Department will not execute a Deed with the applicant until the unit becomes operational.

Should a successful applicant fail to establish an operational MRI unit by the time specified in the application, the Department may withdraw the offer to enter into a Deed and seek to allocate Medicare eligibility to a different MRI unit.

Submitting an application

7. What an application must include

The application must include the information requested on the Application Form at [Appendix 3](#). Applications that do not include this information will be excluded from assessment.

Applications must be completed in **both** Microsoft Word (2003 or later) or equivalent and converted into PDF versions, with the PDF version including a declaration signed by an appropriately authorised person(s) from the applicant organisation.

Any confidential information included in an application should be identified as such.

If the Department is of the view that an applicant has made an unintentional error of form with its application, the Department may allow the applicant to correct any error of form. The same opportunity would be afforded to all other applicants that are in the same position.

8. Lodgement of applications

Applications will **only** be accepted via email to MRI.ITA@health.gov.au.

The lodgement email containing the application should include in the subject title the name of the applicant, the Stream in which it is being submitted and, the PHN of the MRI unit's location. For example:

Subject: PRACTICE NAME – STREAM (1) – PHN NAME

Each individual email should not exceed a combined file size of 10 megabytes.

Applications will be acknowledged by the Department, via automated email.

9. Late applications

Any application lodged after the closing time will be deemed to be a late application. No late applications will be accepted.

Other general information

10. Variation of ITA or process

The Department may need to change or vary the ITA or the process at any time before the closing time. If the Department does so this will be updated on the website. Any changes would be minor or administrative, and steps will be taken to ensure no disadvantage to applications lodged prior to the variation.

11. Suspension of transfers of eligibility for existing units

From the date of announcement of this ITA until the announcement of successful applicants, non-essential permanent and temporary transfers of existing Medicare-eligible MRI units will generally not be considered, unless warranted by exceptional

circumstances (which would include emergency transfers in the event of equipment break downs, or transfers of practice ownership) as determined by the Department. This will allow for more accurate assessment of applications against the criteria related to PHN and location.

Assessment Criteria

12. How applications will be assessed?

An overview of the assessment process is detailed below.

Assessment Stage	Assessment Criteria
Stage 1 - Initial Assessment	Completed Application Form
	Minimum application requirements for relevant Stream are met (see section 3)
	Mandatory Criteria are met (see section 15)
Applicants must meet all Assessment Criteria for Stage 1 to progress to Stage 2	
Stage 2 - Assessment for Stream 1 (upgrades for partially eligible equipment)	Substantive Criteria (see section 16)
Stage 3 - Assessment for Stream 2 (new full eligibility)	Substantive Criteria (see section 16)

For each Stream applications will be:

- grouped into relevant PHNs;
- assessed against the Substantive Criteria;
- ranked; and
- considered in terms of the PHN's relative need.

An assessment report will be prepared for the Minister in relation to each Stream. Applications for MRI units in PHNs with the highest relative need will be prioritised, with the intention of better distributing the number of fully eligible MRI units per capita across Australia. Stream 2 will be assessed after the Stream 1 applicants have been identified to ensure that the relative need for each PHN can be adjusted as a result of the allocation of additional fully eligible units through Stream 1.

13. Recommendations to Minister

On completion of the ITA assessment process the Department will provide an assessment report to the Minister. The Minister will then determine the successful applicants in each Stream that will be made an offer of a Deed.

14. Application requirements

Applications for each Stream will only be accepted from applicants who meet the minimum requirements for the relevant Stream, as set out in [Section 3 – Who can apply](#).

15. Mandatory Criteria

Applications must satisfy the following Mandatory Criteria. This can be achieved by completing the Application Form at [Appendix 3](#).

MANDATORY CRITERIA	
1.	The MRI unit is capable of providing and will continue to provide all MRI services listed in Group I5 the <i>Health Insurance (Diagnostic Imaging Services Table) Regulations</i> (excluding breast and cardiac MRI), or will be capable of providing all such services by 31 December 2020.
2.	The premises at which the MRI unit is, or will be, located is a registered diagnostic imaging premises under the <i>Health Insurance Act 1973</i> with a location specific practice number (LSPN) allocated by the Department of Human Services (DHS), or will be registered and allocated an LSPN by 31 December 2020.
3.	The MRI unit is or will be located at the premises of a comprehensive practice. comprehensive practice is a medical practice, or a radiology department of a hospital, that provides x-ray, ultrasound and computed tomography services (whether or not it provides other services).
4.	The diagnostic imaging practice at which the MRI unit is located is accredited under the Diagnostic Imaging Accreditation Scheme (DIAS) for modalities including MRI and all other modalities required for a comprehensive practice, or will become accredited by 31 December 2020. Information about the DIAS is available at: http://www.health.gov.au/internet/main/publishing.nsf/Content/diagnosticimaging-accred2 .
5.	The applicant agrees to comply with all relevant legislation in relation to rendering Medicare-eligible MRI services, including provision and supervision of services by appropriately qualified providers, and has arrangements in place to enable such compliance.
6.	The applicant agrees that they are prepared to retain the Medicare eligibility for the MRI unit at the location specified in the application for a minimum period of 3 years from the execution of the Deed.

16. Substantive Criteria

Applications in both Streams 1 and 2 must address the Substantive Criteria set out below. This can be achieved by completing the Application Form at Appendix 3.

A failure to respond to any criterion may lead to an application not being further assessed.

Substantive Criteria	Type of information sought
1 – Practice Details (representing approximately 34% of the total assessment score)	General details about the practice where the MRI unit is or will be located including opening hours, disability accessibility, reporting times (i.e. time between imaging and reporting back to the requesting doctors) and whether the practice is prepared to bulk bill patients (and if so on what basis).
2 – Patient Catchment and Access to other MRI Services and Medical Services (representing approximately 22% of the total assessment score)	Information about the estimated patient catchment area of the identified location, other practices with MRI that also service this patient population that are within 30kms of the identified location, the distance (in kilometres) to the nearest Medicare-eligible MRI service from the identified location, socioeconomic (SEIFA) status of the area, the number of requesting practitioners available and other key medical services are available.
3 – Services Provided (representing approximately 16% of the total assessment score)	The range of MRI services offered at the practice and, for practices located at hospitals, whether the hospital is public or private, its number of beds, and categorisation.
4 – Staffing Profile (representing approximately 16% of the total assessment score)	Availability of radiologists on site and supervision arrangements.
5 – Equipment Details (representing approximately 12% of the total assessment score)	Magnet strength, whether the unit is capable of catering for patients who require lower magnet strength and the age of the equipment.

Appendix 1 – Legislative Requirements

OVERVIEW OF LEGISLATIVE REGIME

Introduction

Medicare benefits in respect of MRI services are payable in accordance with the provisions of the *Health Insurance Act 1973* (the Act) and regulations made under the Act and in particular:

- Part II of the Act, which deals generally with the payment of Medicare benefits, and in particular sections 16B, 16C, 16D, 16E and 16EA which deal with Medicare benefits in relation to diagnostic imaging services;
- Part IIB and IIBA of the Act which contains special provisions relating to diagnostic imaging services;
- the *Health Insurance Regulations 1975* (HI Regulations); and
- the Health Insurance (Diagnostic Imaging Services Table) Regulations (the DIST Regulations) which set out items of diagnostic imaging services, the applicable fees in respect of each item (schedule fees) and rules of interpretation. The DIST Regulations are repealed and remade annually. The current DIST Regulations are the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2018*.

The main features of these provisions as they currently relate to MRI services are summarised below. However, applicants should not rely on this summary but rather inform themselves about the statutory requirements and seek legal advice where appropriate.

Applicants must also be aware that the current statutory requirements relating to the payment of Medicare benefits generally, and the payment of Medicare benefits in relation to MRI services, may change from time to time in accordance with Australian Government policy.

Medicare benefits generally

The general rule is that Medicare benefits are payable in respect of "medical expenses" incurred in respect of a "professional service" rendered in Australia to an "eligible person" (see section 10(1) of the Act).

The term "medical expenses" is defined in section 3(1) of the Act as an amount payable in respect of a "professional service". The term "professional service" is also defined in section 3(1) of the Act. In so far as is relevant for MRI services, the term "professional service" includes the following:

- (a) a diagnostic imaging service that is rendered by or on behalf of a medical practitioner pursuant to a section 16B(1) request; or
- (b) a diagnostic imaging service (other than a service referred to in paragraph (a)) that is a clinically relevant service rendered by or on behalf of a medical practitioner.

The terms "eligible person", "diagnostic imaging service" (see below) and "clinically relevant service" are also defined in section 3(1) of the Act.

Section 3(17) of the Act sets out the circumstances in which a service is taken to be rendered on behalf of a medical practitioner.

Medicare benefits for diagnostic imaging services

A "diagnostic imaging service" is defined in section 3(1) of the Act as either an R-type (meaning requested) or an NR-type (meaning non-requested) diagnostic imaging service to which an item of the "diagnostic imaging services table" relates. All MRI services are R-type services.

The "diagnostic imaging services table" means the table prescribed under section 4AA of the Act, which is the DIST Regulations (see below).

Section 16B of the Act provides that Medicare benefits for R-type diagnostic imaging services, such as MRI services, will generally not be payable unless the service was requested by another practitioner who determined that the service was necessary. This "arm's length" referral requirement is subject to exemptions in the following cases:

- R-type diagnostic imaging services rendered in remote areas by practitioners who have a "remote area exemption" under Part IIB of the Act and are registered as participating in an approved continuing medical education and quality assurance program; and
- in emergencies and other exceptional circumstances, for example, where the service has to be provided as quickly as possible.

Further exemptions are set out in section 16B of the Act.

Division 1 of Part IIB of the Act and regulations 19 and 20 of the HI Regulations set out requirements relating to the information included in the request and retention of records.

Section 16C of the Act provides that Medicare benefits are not payable in respect of a diagnostic imaging service which involved the contravention of a State or Territory law relating directly or indirectly to the use of diagnostic imaging procedures or diagnostic imaging equipment.

Section 16D of the Act provides that, unless the Minister otherwise directs, a Medicare benefit is not payable in respect of a diagnostic imaging service unless the procedure uses diagnostic imaging equipment that is:

- ordinarily located at registered diagnostic imaging premises and is listed for the premises; or
- ordinarily located at a registered base for mobile diagnostic imaging equipment when not in use and is listed for the base.

Division 4 of Part IIB of the Act deals with registration of premises and bases, and listing of equipment.

The DIST Regulations

Section 4AA of the of the Act provides that the regulations may prescribe a table of diagnostic imaging services that sets out the items of R-type and NR-type diagnostic imaging services, the amount of fees applicable in respect of each item and rules for interpretation of the table.

The DIST Regulations are regulations made for the purposes of section 4AA.

The items contained in Part 2 of Schedule 1 of the DIST Regulations are grouped by modalities (ultrasound, computed tomography, diagnostic radiology, nuclear medicine imaging and MRI) and sub-grouped as appropriate. The MRI items are set out in Group I5.

Medicare benefits are not payable in respect of all MRI services. Requests for, and the rendering of, Medicare-eligible MRI services are subject to several requirements that are specific to MRI. These requirements, which are additional to those contained in sections 16B and 16D and Part IIB of the Act (see above), are contained in rules 2.5.1 to 2.5.9 in Part 2 of Division 2.5 of the DIST Regulations. Medicare benefits are only payable in respect of services performed:

- following a written request by a specialist or consultant physician, or in some cases a medical practitioner, which identifies the clinical indications for the service (rules 2.5.1 and 2.5.2);
- in a "permissible circumstance", that is, either under the supervision of an eligible provider who is available to monitor and influence the conduct and diagnostic quality of the examination (including, if necessary, by personal attendance on the patient) or in an emergency or because of medical necessity in a remote location (rule 2.5.3); and
- with "Eligible Equipment" (rules 2.5.5 and 2.5.6).

The DIST Regulations also contain some upper limits on the number of identical MRI tests/scans that can be claimed on a single patient in any given twelve-month period (see rule 2.5.9).

"Eligible provider"

An "eligible provider" is defined in rule 2.5.4 of the DIST Regulations as:

- a specialist in diagnostic radiology who satisfies the Chief Executive Medicare that he or she is a participant in the Royal Australian and New Zealand College of Radiologists' Quality and Accreditation Program; or
- for cardiac MRI services, a specialist in diagnostic radiology or a consultant physician who is recognised by the Conjoint Committee for Certification in Cardiac MRI.

"Eligible Equipment"

Eligible Equipment for MRI services is described at rule 2.5.5 of the DIST Regulations.

"Eligible Equipment" is equipment that:

- (a) is located at premises of a comprehensive practice; and
- (b) is made available to the practice by a person:
 - i. who is subject to a deed with the Commonwealth that relates to the equipment; and
 - ii. for whom the deed has not been terminated
- (c) is not identified as partial eligible equipment in the deed.

A 'comprehensive practice' is defined in the DIST dictionary (Part 3 of Schedule 1) as a medical practice, or a radiology department of a hospital, that provides x-ray, ultrasound and computed tomography services (whether or not it provides other services).

Deed of Undertaking

Between

[Entity Name]

and

The Commonwealth of Australia

In relation to eligible equipment for magnetic resonance imaging or magnetic resonance angiography services for the purpose of the Diagnostic Imaging Services Table made under the *Health Insurance Act 1973*

This deed is made between the following parties:

[**Entity Name**] of [Unit/Street Number Street Name] [SUBURB STATE POSTCODE] (**the Provider**) ABN [12 345 678 910]
and

The Commonwealth of Australia as represented by **the Department of Health (the Commonwealth)** ABN 83 605 426 759

RECITALS

- A. The Diagnostic Imaging Services Table is made under subsection 4AA(1) of the *Health Insurance Act 1973* and sets out those diagnostic imaging services which are eligible for Medicare benefits. The Diagnostic Imaging Services Table may be amended from time to time and is repealed and remade every 12 months.
- B. The Diagnostic Imaging Services Table specifies certain requirements for magnetic resonance imaging (MRI) or magnetic resonance angiography (MRA) services to be eligible for Medicare benefits, including that the service is performed using eligible equipment (or, in some circumstances, partial eligible equipment).
- C. Clause 2.5.5 of the Diagnostic Imaging Services Table, provides that equipment is eligible equipment if:
 - (a) it is located at the premises of a comprehensive practice;
 - (b) it is made available to the practice by a person who is subject to a deed with the Commonwealth that relates to the equipment and for whom the deed has not been terminated; and
 - (c) it is not identified as partial eligible equipment in the deed.

OPERATIVE PROVISIONS

The Parties agree as follows:

1. Definitions

1.1 In this Deed, the following words have the following meanings:

Act means the *Health Insurance Act 1973*;

Business Day means a day that is not a Saturday, a Sunday or a public holiday in the place concerned;

Comprehensive Practice has the meaning in the Diagnostic Imaging Services Table;

Deed means this deed and includes any schedules, attachments and annexures to it;

Diagnostic Imaging Services Table has the meaning set out in the Act;

Eligible Equipment has the meaning in the Diagnostic Imaging Services Table;

New Provider means a person who takes over from the Provider as the person who makes or will make the Specified Equipment available to a Comprehensive Practice.

Specified Equipment means the equipment specified in the Schedule to this Deed.

2. Interpretation

2.1 In this Deed, unless the contrary intention appears:

- (a) words in the singular include the plural and words in the plural include the singular;
- (b) words importing a gender include any other gender;
- (c) words importing persons include a partnership and a body whether corporate or otherwise;
- (d) clause headings are inserted for convenient reference only and have no effect in limiting or extending the language of provisions to which they refer;
- (e) all references to dollars are to Australian dollars;
- (f) where any word or phrase is given a defined meaning, any other form of that word or phrase has a corresponding meaning;
- (g) an uncertainty or ambiguity in the meaning of a provision of this deed will not be interpreted against a party just because that party prepared the provision;
- (h) a reference to any statute or other legislation (whether primary or subordinate) is to a statute or other legislation of the Commonwealth as amended from time to time;
- (i) a reference to the word 'including' in any form is not to be construed or interpreted as a word of limitation;
- (j) references to clauses are to clauses in this deed, references to 'Items' are to Items in Schedule 1 to this deed, references to 'Schedule' are to a Schedule to this deed and references to Annexures or Attachments are references to documents attached to this deed; and
- (k) if the day on or by which a person must do something under this deed is not a business day the person must do it on or by the next business day.

3. Date of Effect

3.1 If this Deed is signed by the last party to do so on or before [DATE], the date of effect of this Deed is [DATE].

- 3.2 If this Deed is signed by the last party to do so after [DATE], the date of effect of this Deed is the date the last party signs the Deed.

4. Details of Specified Equipment

- 4.1 For the purposes of Item 1 of the table in clause 2.5.5 of the Diagnostic Imaging Services Table, this Deed relates to the Specified Equipment described in the Schedule and located at the premises specified in the Schedule.
- 4.2 The Provider must, at least 10 Business Days prior to the occurrence of any change to its corporate and/or ownership structure, notify the Commonwealth of the change in accordance with clause 13 of this Deed.
- 4.3 For the avoidance of doubt, the effect of this Deed is that the Specified Equipment will be Eligible Equipment, if it also complies with the other requirements for Eligible Equipment under the Diagnostic Imaging Services Table.

5. Waiver

- 5.1 If a party does not exercise (or delays in exercising) any of its rights, that failure or delay does not operate as a waiver of those rights.
- 5.2 A single or partial exercise by a party of any of its rights does not prevent the further exercise of any right.
- 5.3 In this clause 5, 'rights' means rights or remedies provided by this Deed or at law.

6. Variation

- 6.1 The Parties agree:
- (a) that the Manufacturer, Scanner Model, Magnet Strength and Serial Number of the Specified Equipment may be changed with the prior written approval of the Commonwealth;
 - (b) such approval can be withheld at the Commonwealth's sole and unfettered discretion; and
 - (c) if a change to the Specified Equipment is approved under clause 6.1(a), and the Specified Equipment is changed in accordance with the approval, the equipment as changed will be substituted for the Specified Equipment described in the Schedule and will be Specified Equipment for the purposes of this Deed; and
 - (d) if the Commonwealth approves a change to Specified Equipment in accordance with clause 6.1(a), the Schedule is varied accordingly and the Commonwealth will issue the Provider with an updated, consolidated version of this Deed.

- 6.2 Subject to this clause 6, no variation of this Deed is binding unless agreed in writing between the parties and signed by the authorised representative of each party.

7. Termination

- 7.1 A party may, at any time by written notice to the other party, terminate this Deed. Such termination shall take effect on and from the date specified in the notice.

8. Governing Law and Jurisdiction

- 8.1 This Deed is governed by and is to be construed in accordance with the laws for the time being in force in the Australian Capital Territory and the Parties unconditionally submit to the non-exclusive jurisdiction of the courts of the Australian Capital Territory.

9. Relationship

- 9.1 The Provider must not represent itself, and must ensure that its personnel do not represent themselves, as being an officer, employee, partner or agent of the Commonwealth, or as otherwise being able to bind or represent the Commonwealth.
- 9.2 This Deed does not create a relationship of employment, agency or partnership between the parties.

10. Dispute Resolution

- 10.1 In the event of a dispute between the parties in relation to this Deed, the parties must attempt to settle the dispute by direct negotiation and if necessary, by mediation, before legal proceedings can be commenced by a party.

11. Assignment

- 11.1 A party must not assign or deal with any right under this Deed without the prior written consent of the other party.

12. Change to provider of Specified Equipment

- 12.1 If there is to be a change of the person who makes the Specified Equipment available to a comprehensive practice, the Provider must notify the Commonwealth as soon as is reasonably practicable.

- 12.2 For the avoidance of doubt, if the Provider ceases to be the person who makes the Specified Equipment available to a comprehensive practice, the New Provider of the Specified Equipment must enter into a deed with the Commonwealth that relates to the Specified Equipment in order for it to continue to be Eligible Equipment under the Diagnostic Imaging Services Table.
- 12.3 Entry into a deed with a New Provider is at the Commonwealth's sole discretion.

13. Notices

- 13.1 Any notice, request or other communication to be given or served under this Deed must be:
- (a) in writing and addressed and forwarded to the attention of the Liaison Officer at the address indicated in clause 13.3 of this Deed or such other address as notified in writing; and
 - (b) delivered by hand, sent by pre-paid post or transmitted electronically (facsimile or e-mail), to the address of the person to which it is sent.
- 13.2 Any notice, request or other communication will be deemed to be received:
- (a) if delivered personally – on the date of delivery;
 - (b) if sent by prepaid ordinary post within Australia – upon the expiration of 3 Business Days after the date on which it was sent;
 - (b) if sent by facsimile – on the Business Day next following the day of dispatch provided that the sender receives an “OK” code in respect of the transmission and is not notified by the recipient by close of business on the next Business Day following the day of dispatch, that the transmission was illegible; and
 - (c) if sent by e-mail to the e-mail address of the recipient – when the e-mail message enters an information system accessible to the recipient.
- 13.3 The Provider and Commonwealth's respective addresses and fax numbers for receiving notices are as follows (subject to any party notifying the other in writing of a change of Liaison Officer, address, fax number or e-mail address):
- (a) The Commonwealth's Liaison Officer is the person holding, occupying or performing the duties of Director – Diagnostic Imaging Section, Diagnostic Imaging and Pathology Branch available at the following address:

Address: Sirius Building
23 Furzer Street

WODEN ACT 2606

Phone: [Phone Number]

E-mail: [Email Address]

(b) The Provider's Liaison Officer:

Name: [Liaison Name]

Address: [Unit/Street Number Street Name]
[SUBURB STATE POSTCODE]

Phone: [Phone Number]

E-mail: [Email Address]

14. Execution

14.1 The parties agree that the first party may:

- (a) sign a copy of this Deed manually;
- (b) scan it into an electronic format; and
- (c) send it by email or other means of electronic transmission to the other party.

14.2 The parties agree that:

- (a) consent to execute this Deed by the method set out in clause 14.1 of this deed has been agreed beforehand;
- (b) the last party may sign the scanned copy of this Deed (previously signed and transmitted electronically by the first party) manually as if it were an original delivered by ordinary mail; and
- (c) when signed by the last party, the scanned copy of this Deed shall be deemed to be legally binding on both parties.

EXECUTED AS A DEED

Signed, Sealed and Delivered for and on behalf of the **Commonwealth of Australia** as represented by the **Department of Health** ABN **83 605 426 759** in the presence of:

(Signature of Departmental Representative)/.....
...../...../.....

(Signature of Witness)/...../.....

(Name of Departmental Representative)

(Name of Witness in full)

Executed by [Entity Name] ABN [ABN Number] in accordance with section 127(1) of the *Corporations Act 2001(Cth)*:

(Signature of Director)
...../...../.....

(Signature of other Director/Secretary)
...../...../.....

(Name of Director in full)

(Name of other Director/Secretary)

SCHEDULE

The Specified Equipment to which this Deed relates is as follows:

Manufacturer and Scanner Model:

[Make Model]

Magnet Strength:

X.XT

Serial Number/s:

XXXXX

Location Specific Practice Number (LSPN):

[LSPN Number]

Location:

[Name of the Practice]

[Unit/Street Number Street Name]

[SUBURB STATE POSTCODE]

Appendix 3: Application Form – Invitation to Apply (ITA) for Full Medicare Eligibility Deed for Magnetic Resonance Imaging (MRI) Equipment

THIS FORM IS MANDATORY FOR INCLUSION WITH YOUR APPLICATION.

If this form is incomplete or information requested on this form is not provided, an application may be excluded from further consideration.

Applications must be completed in **both** Microsoft Word (2003 or later) or equivalent and converted into PDF versions, with the PDF version including a declaration signed by an appropriately authorised person(s) from the applicant.

If completed in Microsoft Word, the check boxes in this form will populate by clicking on the box.

Any confidential information included in an application should be identified as such.

Lodgement of applications

Applications will only be accepted via email to MRI.ITA@health.gov.au.

The lodgement email containing the application should include in the subject title the name of the applicant, the Stream in which it is being submitted and, the Primary Health Network (PHN) of the MRI unit's location. For example:

Subject: PRACTICE NAME – STREAM (1) – PHN NAME

Each individual email should not exceed a combined file size of 10 megabytes.

Applications will be acknowledged by the Department, via automated email.

A location's PHN can be found using the following link:

<http://www.health.gov.au/internet/main/publishing.nsf/content/phn-locator>.

Details of MRI unit

Magnet strength in Tesla units	
Manufacturer name	
Model	
Serial number	
Age of MRI unit (years)	

Location of MRI unit

The applicant must provide the street address for the MRI unit, including the name of the hospital if the practice is located at a hospital.

Practice address	
Building/ Practice name	
Street Number	
Street Name	
Suburb	
City/Town	
State	
Post Code	
Location Specific Practice Number	
Primary Health Network <i>(select from drop box)</i>	Choose an item.

Practice Type	Yes	No
Is this address located in a public hospital?	<input type="checkbox"/>	<input type="checkbox"/>
Is this address located in a private hospital?	<input type="checkbox"/>	<input type="checkbox"/>
Is this address not located in a hospital?	<input type="checkbox"/>	<input type="checkbox"/>

Website Address (if available)	
--------------------------------	--

Mandatory Criteria

Please note that applications must satisfy the mandatory criteria. Please confirm each criterion has been met by checking the appropriate boxes below.

<p>The MRI unit is capable of providing and will continue to provide all MRI services listed in Group I5 the <i>Health Insurance (Diagnostic Imaging Services Table) Regulations</i> (excluding breast and cardiac MRI), or will be capable of providing all such services by 31 December 2020.</p>	<input type="checkbox"/>
<p>The premises at which the MRI unit is, or will be, located is a registered diagnostic imaging premises under the <i>Health Insurance Act 1973</i> with a location specific practice number (LSPN) allocated by the Department of Human Services (DHS), or will be registered and allocated and LSPN by 31 December 2020.</p>	<input type="checkbox"/>
<p>The MRI unit is or will be located at the premises of a comprehensive practice. comprehensive practice is a medical practice, or a radiology department of a hospital, that provides x-ray, ultrasound and computed tomography services (whether or not it provides other services).</p>	<input type="checkbox"/>
<p>The diagnostic imaging practice at which the MRI unit is located is appropriately accredited under the Diagnostic Imaging Accreditation Scheme (DIAS) for modalities including MRI and all other modalities required for a comprehensive practice, or will become appropriately accredited under the DIAS by 31 December 2020. Information about the DIAS is available at: http://www.health.gov.au/internet/main/publishing.nsf/Content/diagnosticimaging-accred2.</p>	<input type="checkbox"/>
<p>The applicant agrees to comply with all relevant legislation in relation to rendering Medicare-eligible MRI services, including provision and supervision of services by appropriately qualified providers, and has arrangements in place to enable such compliance.</p>	<input type="checkbox"/>
<p>The applicant is prepared to retain the Medicare eligibility for the MRI unit at the location specified at page 2 for a minimum period of 3 years from the execution of the Deed.</p>	<input type="checkbox"/>

Substantive Assessment Criteria

1. Practice information

The practice where the MRI unit is or will be located provides or will provide MRI services:	<i>Select most appropriate option</i>
During normal business hours (8 to 10 hours each day Monday to Friday)	<input type="checkbox"/>
Part time (e.g. less than 8 to 10 hours each day)	<input type="checkbox"/>
Longer than normal business hours	<input type="checkbox"/>
24 hours, 7 days per week	<input type="checkbox"/>
Additional comments (optional):	

For non-emergency scans, what is or will be the average length of time from the date of the scan to the date of reporting on the scan by a radiologist?	
2 days or more	<input type="checkbox"/>
1 day to less than 2 days	<input type="checkbox"/>
same day	<input type="checkbox"/>
Additional comments (optional):	

To facilitate patient access to MRI services at the practice: *Select option(s) if applicable*

The practice has or will have off street car parking (including parking for people with disabilities)

The practice has or will have equipment that can be accessed by people with disabilities

The practice has or will have interpreter services for patients whose first language is not English

Public transport is or will be available:

within 1 kilometre

within 3 kilometres

none available

Additional comments (optional):

Are medical practitioners available at the practice in case of emergency?

Yes

No

Other (please provide details below)

Additional comments (optional):

The practice bulk bills or will bulk bill MRI services:

All patients

Concessional patients only

Children only

Children and concessional patients

Other patient groups (please provide details under 'additional comments' below)

The practice does not bulk bill

Additional comments (optional):

2. Patient catchment and access to other MRI services and medical services

What is the estimated population of the patient catchment for the location of the MRI unit?

- greater than 40,000
- 20,000 to 40,000
- less than 20,000

Additional comments (optional):

Are there other Medicare-eligible MRI units within 30 kilometres of the location of the MRI unit? Current Medicare-eligible MRI units can be found using the following link: <http://www.health.gov.au/internet/main/publishing.nsf/Content/mri-index>.

- No
- Yes – partially eligible unit only
- Yes – fully eligible
- Yes – fully eligible and partially eligible

Additional comments (optional):

How far is the closest **fully Medicare-eligible** machine from the location of the MRI unit? Current Medicare-eligible MRI units can be found using the following link: <http://www.health.gov.au/internet/main/publishing.nsf/Content/mri-index>.

- more than 100 kilometres
- 50 to 100 kilometres
- 30 to 49 kilometres
- 10 to 29 kilometres
- less than 10 kilometres

Additional comments (optional):

How many medical practitioners are likely to request MRI services from the practice where the MRI unit is located?

- more than 20
- 10 to 19
- less than 10

Additional comments (optional):

What other medical services are available in the catchment population area identified above?

- A hospital, a cancer centre or a full range of specialist services
- A subset of specialist services

Additional comments (optional):

What is the Index of Relative Socio-economic Disadvantage (IRSD) Socio-Economic Indexes for Areas (SEIFA) for the location of the MRI unit? This can be found using the following link:

<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD%20Interactive%20Map~15>.

(Either a post code or suburb can be entered into the 'Find address or place' field.)

- First quintile (most disadvantaged)
- Second quintile
- Third quintile
- Fourth quintile
- Fifth quintile (least disadvantaged)

Additional comments (optional):

3. Services provided

In addition to the full range of MRI services in Group I5 of the Diagnostic Imaging Services Table (excluding breast and cardiac services) (see Mandatory Criterion 1), what additional services are or will be provided on the MRI unit?

- | | |
|--|--------------------------|
| Breast | <input type="checkbox"/> |
| Cardiac | <input type="checkbox"/> |
| Paediatric | <input type="checkbox"/> |
| Paediatric with general anaesthesia | <input type="checkbox"/> |
| Other (please provide details under 'additional comments' below) | <input type="checkbox"/> |
| No additional services | <input type="checkbox"/> |

Additional comments (optional):

For sites located within **hospitals** only, is the hospital public or private (check both boxes if applicable):

- | | |
|------------------|--------------------------|
| Public hospital | <input type="checkbox"/> |
| Private hospital | <input type="checkbox"/> |

For sites located within **hospitals** only, how many beds are available for admitted patients (both day and overnight)?

- | | |
|---------------|--------------------------|
| less than 50 | <input type="checkbox"/> |
| 50 to 99 | <input type="checkbox"/> |
| 100 to 199 | <input type="checkbox"/> |
| 200 to 500 | <input type="checkbox"/> |
| More than 500 | <input type="checkbox"/> |

For sites located within **public hospitals** only, how is the hospital categorised on the MyHospitals website - <https://www.myhospitals.gov.au/compare-hospitals/average-length-of-stay/interactive-table>.

- Major hospital
- Large hospital
- Medium hospital
- Small hospital
- Children's hospital

Additional comments (optional):

4. Staffing Profile

What is or will be the radiologist staffing profile of the practice at which the MRI unit is located?

- A radiologist onsite more than 90 per cent of opening hours
- A radiologist onsite for 50 to 90 per cent of opening hours
- A radiologist onsite for less than 50 per cent of opening hours

Additional comments (optional):

Will a radiologist be onsite when intravenous contrast is administered?

- Yes
- No

Additional comments (optional):

Except in emergencies and when performed because of a medical necessity in a remote location, Medicare-eligible MRI services are required to be rendered under the professional supervision of a specialist in diagnostic radiology who is available to monitor and influence the conduct and diagnostic quality of the examination, including, if necessary, by personal attendance on the patient. What supervision arrangements apply or will apply at the practice where the MRI unit is located?

Supervision undertaken remotely

Supervision undertaken remotely, but radiologist close enough to be able to attend if necessary

Radiologist onsite part of the time

Radiologist onsite most or all of the time

Additional comments (optional):

Equipment

What is or will be the strength of the magnet in the MRI unit?

3.0 Tesla

1.5 Tesla

Other (please specify under 'additional comments' below)

Will the MRI unit be able to cater for patients with conditions for which a lower strength magnet is required, for example, patient with pacemakers or cochlear implants?

Yes

No

Additional comments (optional):

What is the age of the equipment for which eligibility is being sought? (Information about capital sensitivity arrangement can be found using the following link: <http://www.health.gov.au/internet/main/publishing.nsf/Content/capsensfaq-di>).

- 0-5 years old
- 6-9 years old
- 10 years or older – upgraded to meet the maximum extended life-age requirements under the capital sensitivity arrangements
- 10 years or older – not upgraded to meet the maximum extended life-age requirements under capital sensitivity arrangements

Additional comments (optional)

Applicant's Details

Legal name of applicant (this must be the entity that will enter into the Deed with the Commonwealth, if successful)

Registered business or trading name of applicant (if applicable)

Registered business address of applicant (if applicable)

ACN:

ABN:

Specify the entity type of the applicant:

- | | | | |
|---|--------------------------|---|--------------------------|
| Proprietary company | <input type="checkbox"/> | Sole Trader | <input type="checkbox"/> |
| Company Limited by Guarantee | <input type="checkbox"/> | Partnership | <input type="checkbox"/> |
| Unlisted Public company | <input type="checkbox"/> | Union (recognised under industrial legislation) | <input type="checkbox"/> |
| Listed Public Company | <input type="checkbox"/> | Incorporated Association | <input type="checkbox"/> |
| Local Government Council | <input type="checkbox"/> | Unincorporated Association | <input type="checkbox"/> |
| Australian Government or State Government Authority or Corporation | <input type="checkbox"/> | Australian Government or State Government Department. | <input type="checkbox"/> |
| Aboriginal Corporation established under the <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i> | <input type="checkbox"/> | Other, please specify in the space below | <input type="checkbox"/> |
| Additional comments (optional) | | | |

Applicant's Contact Details

Applicant's nominated contact person
Name:
Title within the organisation:
Phone:
Email:
Postal Address:

Applicant's secondary contact person (if possible)
Name:
Title within the organisation:
Phone:
Email:
Postal Address:

Applicant's Proposed Confidential Information

(Complete if required and insert additional lines as required)

Item of Information (include page reference)	Reasons for confidentiality

Applicant's Declaration

I declare that the information in this application is true and correct. I am aware that giving false or misleading information is a serious offence.	<input type="checkbox"/>
I declare that should this application be successful and result in an offer to enter into a Deed with the Commonwealth, the applicant is willing to enter into such a Deed.	<input type="checkbox"/>
I understand that if a Deed with the Commonwealth is offered and/or executed as a result of the application and that information in the application is subsequently found to be inaccurate or misleading, the offer of the Deed may be withdrawn or the Deed may be terminated.	<input type="checkbox"/>

Signed by an authorised signatory(ies) of the applicant	
Name:	Name:
Position/title:	Position/title:
-----Date/...../.....	-----Date/...../.....

AUSTRALIAN PRIVACY PRINCIPLE 5 NOTIFICATION

The Australian Government Department of Health (**Department**) is bound by the *Privacy Act 1988* and the Australian Privacy Principles (APPs).

The Department is collecting this personal information about you for the primary purpose of an Invitation to Apply (ITA) process intended to identify magnetic resonance imaging (MRI) equipment for the allocation of Medicare eligibility for MRI services.

If you do not or are unable to provide the requested personal information as set out in the ITA, the Department may exclude your application from further consideration.

The Department is unlikely to disclose your personal information to overseas recipients.

The Department has an APP privacy policy which you can read at <http://www.health.gov.au/internet/main/publishing.nsf/Content/privacy-policy>. You can obtain a copy of the APP privacy policy by contacting the Department using the contact details set out at the end of this notice. The APP privacy policy contains information about:

- how you may access the personal information the Department holds about you and how you can seek correction of it; and
- how you may complain about a breach of
 - the APPs; or
 - a registered APP code that binds the Department; andhow the Department will deal with such a complaint.

You can contact the Department by telephone on (02) 6289 1555 or freecall 1800 020 103 or by using the online enquiries form at www.health.gov.au.

Appendix 4 – Application Checklist

This checklist is provided to assist applicants with a final check of their application prior to submission. Although strongly advised to do so, there is NO requirement for the applicant to complete this form.

1	I have taken into account the requirements for format, size and naming conventions.	<input type="checkbox"/>
2	I have considered and responded to each of the Mandatory Criteria in the Application Form.	<input type="checkbox"/>
3	I have considered and responded to each of the Substantive Criteria.	<input type="checkbox"/>
4	The subject title of my email includes the name of the applicant, the Stream to which the application relates and the PHN of the location of the MRI unit.	<input type="checkbox"/>
5	My email clearly sets out the documents that are included as part of my application.	<input type="checkbox"/>
6	I have completed all areas of the Application Form in full.	<input type="checkbox"/>
7	I have completed and included a Microsoft Word document (or equivalent).	<input type="checkbox"/>
8	I have included the Application Form (PDF), which is signed by the authorised person(s) for the applicant.	<input type="checkbox"/>