

Environmental Scans

Health Services Establishments Act 2006

Periodic Environmental Scans of unlicensed private Health Service Establishments (HSE) in Tasmania are conducted by the Department of Health to assess whether licensing is required under the *Health Service Establishments Act 2006*.

Health Service Establishments Act 2006

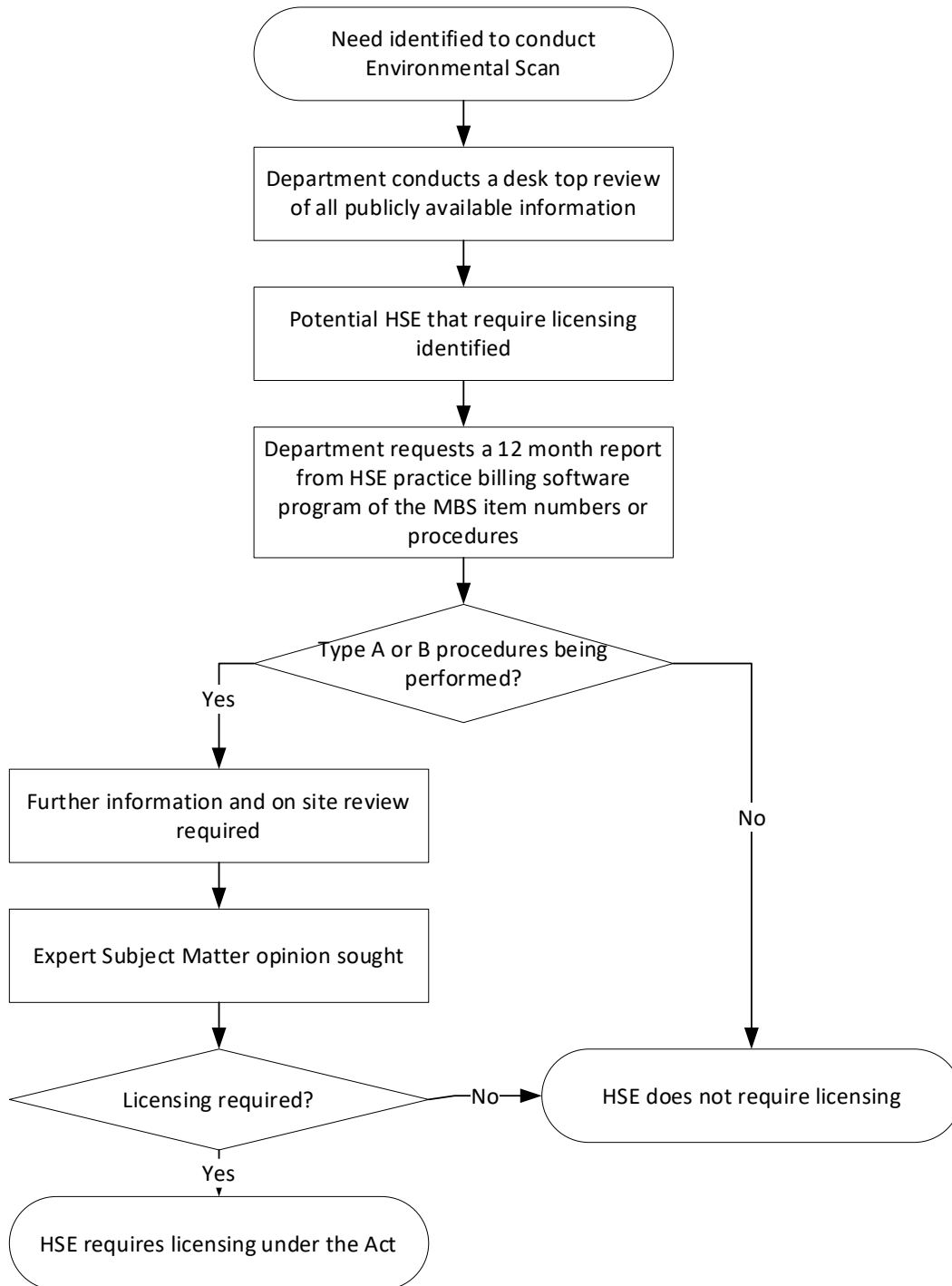
The Department of Health (the Department) is the licensing and regulatory authority for all private sector healthcare services in Tasmania under the *Health Service Establishments Act 2006* (the Act) and the *Health Service Establishments Regulations 2021* (the Regulations).

The objective of the Act, and hence licensing, is to ensure the quality and safety of services provided by specifying the standards to be met. Licensable procedures may carry significant quality and safety risks, and licensing provides for these risks to be assessed, addressed and mitigated.

Regulation through licensing seeks to balance the business needs of the private health service industry with the health care, safety, and quality needs of the public.

Government has a role in ensuring minimum standards of safety and quality in health care are upheld. Licensing provides an assurance that private health services and establishments in Tasmania are safe, quality services, in circumstances where the public are unable to obtain this assurance for themselves. Quality and safety standards are determined and audited through licensing standards and accreditation requirements.

Environmental Scan Process



Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001

Phone: 03 6166 3856

Email: hselicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government

What triggers an Environmental Scan?

Periodically the Department's Regulation, Licensing and Accreditation (RLA) Unit will contact unlicensed health service establishments (HSE) to ask for information of the services being provided.

Periodic reviews typically happen every three to five years. In some instances, the Department may feel it appropriate to initiate an earlier review for example, if there is increased public concern about a particular type of industry or complaints have been received about a health service industry or establishment.

Why has the Department requested a 12-month report from HSE practice billing software program of the MBS item numbers, or procedures conducted?

The initial indicator of whether a HSE requires licensing under the Act is the type of procedures performed.

In Tasmania, licensing is determined by the type of procedures performed in a Health Service Establishment (HSE). Licensable procedures under the Act are defined as Type A, B, and C, which is based on the Australian Government classification of procedures for private health insurance Default Table Benefit purposes. Section 5 of the Act requires all establishments performing Type A and/or Type B procedures to be licensed. Any HSE where only Type C procedures are undertaken does not require licensing unless, having regard to public safety and the quality of the service to be provided, the Department's Secretary considers that they should hold a licence.

The Department primarily takes guidance about procedure types by reference to the specific Medical Benefits Schedule (MBS) item number listings, found in the definitions and schedules sections of the *Private Health Insurance (Benefit Requirements) Rules 2011*. This reference point was adopted partly because the classification of procedures is frequently updated to reflect current practice as much as possible.

The Department recognises however that the assessment of some low risk/minimally invasive Type A and Type B procedures often require more information on how the procedure is performed and factors around patient risk prior to determining the licensing requirement.

The Department seeks to avoid overregulating and therefore some procedures, despite their classification under the Rules, will not present sufficient clinical risk to warrant licensing.

The Department always meets with the HSE to discuss these procedures as we understand that relying on item numbers alone does not always provide the full picture.

Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001

Phone: 03 6166 3856

Email: hslicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government

How does the Department make its decision on whether a licence is required?

The priority of the Department is to ensure the quality clinical care provision and safety for the Tasmanian population. The focus is to ensure that the procedures provided can be safely performed by qualified registered health care professionals in an appropriate setting.

The Department assesses each licence application or environmental scan on an individual basis, taking into consideration:

- the safety and quality systems in place
- the physical environment of the HSE (the building, rooms, and equipment)
- accreditations already in place
- the procedures being performed

Where necessary, and before making a decision, relevant and expert clinical advice is sought on the procedures, and the setting in which they can be safely performed in consultation with professional colleges and subject matter experts.

Who are the Subject Matter Experts?

The Department will take advice from professional colleges and Subject Matter Experts (SME) concerning the risks of performing certain A and B procedures outside of a licensed HSE. For example (but not limited to):

- Australian and New Zealand College of Anaesthetists
- Australian Medical Association
- Australian Commission on Safety and Quality in Health Care
- Department of Health General Practice Liaison Officer
- Professional Services Review Branch of Medicare
- Relevant Clinical Subject Matter Expert
- Royal Australian College of Surgeons -Plastic and Reconstructive Surgery
- Royal Australian and New Zealand College of Ophthalmologists
- Skin Cancer College
- The Royal Australian and New Zealand College of Obstetricians and Gynaecologists
- The Royal Australian College of General Practitioners

I've received a letter, does that automatically mean I have to be licensed?

No. As explained above, the assessment of whether a HSE requires licensing under the Act is based on:

- the safety and quality systems in place

Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001

Phone: 03 6166 3856

Email: hslicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government

- the physical environment of the HSE (the building, rooms, and equipment)
- accreditations already in place
- the procedures being performed

Only after a thorough assessment is made will the decision be made on whether a licence is required.

My HSE performs type A/B procedures, will it need to be licensed?

As explained above, the priority of the Department is to ensure ensuring the procedures in question can safely be performed by qualified registered health care professionals in an appropriate setting. Licensable procedures may carry significant quality and safety risks, and licensing provides for these risks to be assessed, addressed and mitigated.

Licensable procedures under the Act are defined as Type A, B, and C, which is based on the Australian Government classification of procedures for private health insurance Default Table Benefit purposes. It is the law in Tasmania that private HSEs must hold a licence to perform Type A or B procedures.

The Department assesses each licence application or environmental scan on an individual basis, taking into consideration:

- the safety and quality systems in place
- the physical environment of the HSE (the building, procedure rooms, and equipment)
- accreditations already in place
- the procedures being performed

Please contact the Department if you are not sure if your HSE requires licensing under the Act and an assessment will be made.

What does licensing involve and how much does it cost?

Further information on licensing can be found in the New Licence Application Information Sheet.

The cost of a new licence application is prescribed within the *Health Service Establishments Regulations 2021* (the Regulations) and is set at 1100 fee units.

As at 4 May 2022 this equates to \$1815. The up to date fee unit amount can be found here:

<https://www.treasury.tas.gov.au/economy/economic-policy-and-reform/fee-units>

There is also an annual renewal fee payable by 31 December each year. The renewal fee is dependent on the licensable classes and takes into consideration the type of establishment, any specialised services, whether child patients are treated and the number of beds/treatment rooms.

Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001

Phone: 03 6166 3856

Email: hslicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government

The Department has requested this before, why have I been asked again to provide this information?

Whilst a HSE may not have required licensing in the past, the scope of clinical practice of HSEs may change over time and therefore may now need to be licensed.

I have been performing these procedures for years, why do I need a licence now?

It is not the individual clinician that need a licence. The licence is related to the Health Service Establishment.

Licensing ensures the procedures can be performed by a qualified healthcare professional in an appropriate setting that is safe, with the right equipment and processes in place to ensure the delivery of safe, high quality health care for the Tasmanian people.

I've been told my HSE must be licensed. How can I appeal this decision?

Any determination on whether a licence is required is only made after a thorough assessment by the Department.

If you are unhappy with the decision, please write to the Regulation, Licensing and Accreditation Unit at the below address:

Regulation, Licensing and Accreditation Unit
GPO Box 125, HOBART TAS 7001
Phone: 03 6166 3856
Email: hslicensing@health.tas.gov.au

Please provide evidence to support your appeal that demonstrates how the procedure can be safely performed in a quality clinical setting.

Within two weeks of the Department receiving your appeal letter, a meeting will be scheduled with you by the RLA to discuss and review the additional evidence provided.

The outcome of your appeal will be provided in writing within two weeks of the review meeting.

I don't agree with Department's assessment and my appeal has been unsuccessful, what happens now?

Whilst the Department recognises the need not to burden HSEs with excessive regulatory requirements, holding a licence to perform Type A or B procedures remains the law in Tasmania.

Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001
Phone: 03 6166 3856
Email: hslicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government

Ensuring quality clinical care provision and safety for the Tasmanian population remains the Department's priority.

Under the Act, performing licensable procedures in Tasmania without the appropriate licence and operating an unlicensed private hospital or day procedure centre are offences that attract significant fines.

Should the HSE continue to perform any licensable procedure after the date advised by the Department, a fine not exceeding 100 penalty units will be issued. Further fines not exceeding 10 penalty units will be issued per day during which the offence continues (*Health Service Establishments Act 2006, S. 34*).

As at 4 May 2022 this would equate to an initial fine of \$17,300, with further fines of \$1,720 per day.

If no licence application is sought, all Type A and B procedures must cease immediately. The Department will then take steps to ensure that no licensable procedures are being performed in accordance with the requirements of the Act.

Questions and further information

For all questions, or further information about Environmental Scans or Licensing requirements, please contact the Regulation, Licensing and Accreditation Unit on 6166 3856 | hslicensing@health.tas.gov.au

May 2022

Regulation, Licensing and Accreditation Unit

GPO Box 125, HOBART TAS 7001

Phone: 03 6166 3856

Email: hslicensing@health.tas.gov.au

Website: [Private Health Regulation Unit | Tasmanian Department of Health](#)



Tasmanian
Government