Health Entitlement Cards Amendment Regulations 1998

PURSUANT to section 52 of the Health and Disability Services Act 1993, section 25(1)(c) of the Health Reforms (Transitional Provisions) Act 1993, and section 132A of the Social Security Act 1964, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

Contents

		Page
1	Title and commencement	1
2	Interpretation	2
3	Issue and recall of community services cards	6
4	Commencement dates and expiry dates of community services cards	6
5	Form of community services card	7
6	Eligibility for community services cards	7
7	Ascertainment of income	9
8	Authorised uses of community services cards	9
9	Unauthorised uses of community services cards	9
10	Transitional provisions	9
11	Interpretation	10
12	Transitional provisions	10
13	Interpretation	10
14	Transitional provisions	11
15	Consequential revocations	11

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1 Title and commencement

(1) These regulations may be cited as the Health Entitlement Cards Amendment Regulations 1998, and are part of the

Health Entitlement Cards Regulations 1993[1] ("the principal regulations").

(2) These regulations come into force on 1 February 1999.

2 Interpretation

Regulation 2 of the principal regulations is amended by revoking subclause (1), and substituting the following subclause:

"(1) In these regulations, unless the context otherwise requires,—

"**Act** means the Health and Disability Services Act 1993

"**Beneficiary** has the meaning given to it by section 3(1) of the Social Security Act 1964

"**Card** means a community services card, a high use health card, or a pharmaceutical subsidy card, as the case may require

"**Cardholder** means a person issued with a community services card, a high use health card, or a pharmaceutical subsidy card, as the case may require

"**Child** has the meaning given to it by section 3(1) of the Social Security Act 1964

"**Community services card** means a community services card issued under regulation 4

"**Department** means the department for the time being responsible for the administration of the Social Security Act 1964

"**Dependent child** has the meaning given to it by section 3(1) of the Social Security Act 1964; but does not include a child for whom an orphan's benefit or an unsupported child's benefit is paid under that Act

"**Director-General** means,—

"(a) In this regulation and in Part I, the chief executive of the Department; and

[1] SR 1993/169

Amendment No 1: SR 1993/265

Amendment No 2: SR 1994/40

Amendment No 3: SR 1994/259

Amendment No 4: SR 1996/110

"(b) In Parts II and III, the Director-General within the meaning of the Health Act 1956:

"**Eligible**, in relation to a community services card, means eligible within the meaning of regulation 8

"**Family credit income** means the net income of any person (or, in the case of a married person, the combined income of the person and his or her spouse) that—

"(a) Is calculated in accordance with section KD 1 of the Income Tax Act 1994; and

"(b) Includes any family credit and any guaranteed minimum family income (as those terms are defined in section OB 1 of the Income Tax Act 1994) that was or is to be paid or credited to that person (or the spouse, as the case may be) within the income year to which the calculation relates:

"**Family income** means, as the case may require,—

"(a) The income of an unmarried person:

"(b) The combined income of a married couple (if neither of them are receiving residential care disability services):

"(c) The income of a married person who is receiving residential care disability services:

"(d) The income of a married person whose spouse is receiving residential care disability services:

"**Full-time course** has the meaning given to it by regulation 2(1) of the Student Allowances Regulations 1998 (SR 1998/277)

"**High use health card** means a high use health card issued under regulation 18

"**Income** has the meaning given to it by section 3(1) of the Social Security Act 1964 (except where it is used in the term **net income**)

"**Income year** has the meaning given to it by section OB 1 of the Income Tax Act 1994

"**Licensed hospital** means a hospital licensed under the Hospitals Act 1957

"**Married person** includes a person regarded as married under regulation 3; and **husband**, **wife**, **spouse**, and **married couple** have corresponding meanings

"**Net income** means net income as defined in section OB 1 of the Income Tax Act 1994; and includes—

"(a) New Zealand superannuation payable under Part I of the Social Welfare (Transitional Provisions) Act 1990; and

"(b) Income which is derived outside New Zealand; and

"(c) 50% of any amount received by way of a pension under a superannuation scheme registered under the Superannuation Schemes Act 1989; and

"(d) 50% of any qualifying foreign private annuity (as defined in section OB 1 of the Income Tax Act 1994); and

"(e) 50% of any amount received under an annuity paid on or after 1 April 1990 in respect of a policy of life insurance—

"(i) Offered or entered into in New Zealand by a life insurer (as that term is defined in paragraph (a) of the definition of the term **life insurer** in section OB 1 of the Income Tax Act 1994); or

"(ii) Offered or entered into outside of New Zealand by a life insurer (as so defined) that is resident in New Zealand within the meaning of section OE 1 or section OE 2 of the Income Tax Act 1994:

"**Ordinarily resident in New Zealand**, in relation to any person, includes a person whom the Director-General is satisfied is in the process of claiming refugee status in New Zealand; but does not include any other person—

"(a) Unlawfully resident or present in New Zealand, or

"(b) Lawfully resident or present in New Zealand but only by virtue of—

"(i) A visitor's permit; or

"(ii) A temporary work permit; or

"(iii) A permit to be in New Zealand for the purposes of study at a New Zealand school or university or other educational establishment:

"**Pharmaceutical subsidy card** means a pharmaceutical subsidy card issued by a pharmacist under regulation 23

"**Pharmacist** means a pharmacist registered under the Pharmacy Act 1970

"**Provider** means a provider of health services or disability services from whom the Health Funding Authority purchases such services

"**Recognised course of study** has the meaning given to it by regulation 2(1) of the Student Allowances Regulations 1998 (SR 1998/277)

"**Residential care disability services** has the meaning given to it in section 3(1) of the Social Security Act 1964

"**Service agreement** has the meaning given to it by section 22 of the Act; and includes an arrangement that is enforceable under section 51 of the Act

"**Student** means—

"(a) A person attending a secondary school—

"(i) Within the meaning of section 145(1) of the Education Act 1989; or

"(ii) That is an integrated secondary school under the Private Schools Conditional Integration Act 1975; or

"(iii) That is a private secondary school registered under section 35A of the Education Act 1989; or

"(b) A person attending a class, above Form II, at a composite school within the meaning of section 145(1) of the Education Act 1989; or

"(c) A person who is undertaking a recognised course of study in a full-time course at any tertiary institution; or

"(d) A person who has left school but intends to undertake a recognised course of study in a full-time course at a tertiary institution during the next applicable academic year:

"**Superannuitant** means a person entitled in his or her own right to receive New Zealand superannuation under Part I of the Social Welfare (Transitional Provisions) Act 1990

"**Superannuation income** means—

"(a) A person's net income, in the case of—

"(i) An unmarried superannuitant:

"(ii) A married superannuitant who is receiving residential care disability services:

"(iii) A married superannuitant whose spouse is receiving residential care disability services; or

"(b) The combined net income of the person and his or her spouse, in the case of a married superannuitant where neither spouse is receiving residential care disability services:

"**Tertiary institution** means a tertiary provider within the meaning of regulation 2(1) of the Student Allowances Regulations 1998 (SR 1998/277)

"**Unmarried person** includes a person regarded as unmarried under regulation 3."

3 Issue and recall of community services cards

Regulation 4(1)(a) of the principal regulations is amended by omitting the expression "Group 1".

4 Commencement dates and expiry dates of community services cards

(1) Regulation 5(2) of the principal regulations is amended by omitting the expression "Group 1" in each place where it occurs in paragraphs (a) and (c).

(2) Regulation 5(2) of the principal regulations is amended by revoking paragraph (b), and substituting the following paragraph:

"(b) In the case of a community services card issued to a person eligible under regulation 8(1)(c), the date that is 3 months before the date on which the application for the card was received:".

(3) Regulation 5(2) of the principal regulations is amended by revoking paragraph (d), and substituting the following paragraph:

"(d) In the case of a community services card issued to a person eligible for a card under regulation 8(1)(g), the date on which the person commenced receiving residential care disability services purchased by or with the assistance of a purchaser."

5 Form of community services card

(1) Regulation 7(2)(b)(ii) of the principal regulations is amended by omitting the words ", to indicate that the card is a Group 1 card".

(2) Regulation 7(2) of the principal regulations is amended by revoking paragraph (d), and substituting the following paragraphs:

"(d) Must have, on the card back,—

"(i) A signature panel, made of material on which a signature may be written or endorsed by the cardholder, identified with wording in black indicating that the signature written or endorsed is the signature of the cardholder; and

"(ii) Wording in black indicating that the card is issued by the Department:

"(e) May have, on the card back, any other information or wording the Director-General from time to time requires."

(3) Regulation 7 of the principal regulations is amended by inserting after subclause (2), the following subclause:

"(2A) A community services card signed by the cardholder is evidence that the cardholder is eligible for a community service card."

6 Eligibility for community services cards

(1) Regulation 8 of the principal regulations is amended by revoking subclause (1), and substituting the following subclause:

"(1) A person is eligible for a community services card if he or she is—

"(a) A beneficiary who has applied for and is entitled to receive a transitional retirement benefit granted under section 7A of the Social Welfare (Transitional Provisions) Act 1990, or any of the following benefits under the Social Security Act 1964 (whether or not payment of the benefit has commenced under section 80 of that Act):

"(i) A widow's benefit:

"(ii) A domestic purposes benefit:

"(iii) An invalid's benefit:

"(iv) A community wage:

"(v) An independent youth benefit:

"(vi) An emergency benefit granted instead of a domestic purposes benefit or a community wage:

"(b) A child in respect of whom an orphan's benefit, an unsupported child's benefit, or a child disability allowance is payable under the Social Security Act 1964:

"(c) A person whose family credit income is of or less than the appropriate amount specified in subclause (6), and who has one or more dependent children, and who—

"(i) Is ordinarily resident in New Zealand; or

"(ii) Is eligible to receive a family tax credit in accordance with Part KD of the Income Tax Act 1994:

"(d) A person whose family income is of or less than the appropriate amount specified in subclause (5), and who—

"(i) Does not have any dependent children; and

"(ii) Is ordinarily resident in New Zealand; and

"(iii) Is of or over the age of 16, but is not a dependent child or a person whose age would entitle another person to receive (if otherwise entitled) a family credit in respect of him or her; and

"(iv) Is not a superannuitant; and

"(v) Does not receive a veteran's pension under the Social Welfare (Transitional Provisions) Act 1990; and

"(vi) Is not the spouse of a person who has made an election under section 6(2) or section 11(2) of the Social Welfare (Transitional Provisions) Act 1990:

"(e) A superannuitant whose superannuation income is of or less than the appropriate amount specified in subclause (5):

"(f) A student whose family income is of or less than the appropriate amount specified in subclause (5), and who—

"(i) Is ordinarily resident in New Zealand; and

"(ii) Is undertaking a recognised course of study in a full-time course at a tertiary institution (other than a secondary school) within the meaning of the Student Allowances Regulations 1998 (SR 1998/277):

"(g) A person who is receiving residential care disability services purchased by or with the assistance of a purchaser, and who has had his or her financial means assessed under the Social Security Act 1964."

(2) Regulation 8 of the principal regulations is amended by revoking subclause (3), and substituting the following subclause:

"(3) The spouse of a person who is eligible for a community services card and who is ordinarily resident in New Zealand is also eligible for a community services card, unless either spouse is receiving residential care disability services purchased by or with the assistance of a purchaser."

(3) Regulation 8(6) of the principal regulations is amended by revoking paragraph (e), and substituting the following paragraph:

"(e) For a family with 6 or more persons, $47,385 per annum for the first 6 people, plus a further $4,840 per annum for each additional person."

7 Ascertainment of income

(1) Regulation 9 of the principal regulations is amended by omitting the word "assessable" in each place where it occurs, and substituting in each case the word "net".

(2) Regulation 9(2A) of the principal regulations is revoked.

8 Authorised uses of community services cards

Regulation 12(b)(i) of the principal regulations is amended by omitting the words "Group 1 card", and substituting the words "community services card".

9 Unauthorised uses of community services cards

Regulation 13(3) of the principal regulations is amended by omitting the words "of Social Welfare".

10 Transitional provisions

Regulation 16 of the principal regulations is revoked.

11 Interpretation

(1) Regulation 17 of the principal regulations is amended by omitting from paragraph (a) of the definition of the term **general medical services** the words "regional health authority", and substituting the words "Health Funding Authority".

(2) Regulation 17 of the principal regulations is amended by revoking subparagraph (i) of paragraph (c) of the definition of the term **general medical services**, and substituting the following subparagraph:

"(i) Specialist medical services, which are medical services that involve the application of special skill and experience of a degree or kind that general medical practitioners as a class cannot reasonably be expected to possess:".

(3) Regulation 17 of the principal regulations is amended by revoking the definition of the term **qualifying medical services**, and substituting the following definition:

"**Qualifying medical services**—

"(a) Means general medical services provided by a general practitioner for which the Health Funding Authority, the patient, or some other person is charged; but

"(b) Does not include treatment paid for (in whole or in part) under the Accident Rehabilitation and Compensation Insurance Act 1992:".

(4) Regulation 17 of the principal regulations is amended by revoking the definition of the term **specialist medical services**.

12 Transitional provisions

Regulation 21 of the principal regulations is revoked.

13 Interpretation

Regulation 22 of the principal regulations is amended by adding, as subclause (2), the following subclause:

"(2) For the purposes of this Part, the Director-General may regard as married any man and woman who, although not legally married, have entered into a relationship in the nature of marriage, and may determine a date on which that relationship is to be taken as having commenced."

14 Transitional provisions

Regulation 24 of the principal regulations is revoked.

15 Consequential revocations

The following regulations are consequentially revoked:

(a) Regulations 2, 3(1), 4, 5(2), 5(3), 6(3), 7(2), and 10 of the Health Entitlement Cards Regulations 1993, Amendment No 1 (SR 1993/265):

(b) The Health Entitlement Cards Regulations 1993, Amendment No 2 (SR 1994/40):

(c) Regulation 2 of the Health Entitlement Cards Regulations 1993, Amendment No 3 (SR 1994/259):

(d) Regulations 2, 3(1), 3(2), 4(2)(e), and 5(2) of the Health Entitlement Cards Regulations 1993, Amendment No 4 (SR 1996/110).

MARIE SHROFF,

Clerk of the Executive Council.

Explanatory Note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations amend the Health Entitlement Cards Regulations 1993. They come into effect on 1 February 1999.

The substantive changes effected by these regulations are as follows:

- The income threshold for eligibility for a community services card is increased by $4,840 for each further person in a family of more than 6 (*regulation 6(3)*):
- A child who is receiving a child disability allowance (and therefore getting a community services card) will now be counted as a family member for the purpose of determining the family's eligibility for a community services card (definition of **dependent child** in regulation 2):
- Only visits to a GP that are not paid for by ACC will count as **qualifying medical services** for the purpose of determining eligibility for a high use health card. Attendance at an outpatient clinic will no longer count (*regulation 11(3)*):

- The definition of "family unit", for the purpose of determining eligibility for a pharmaceutical subsidy card, is amended to include de facto couples and their children (*regulation 13*). This is consistent with the policy used for other health entitlement cards.

The regulations also make a number of consequential and tidying-up changes, including—

- Removing the references to the tax surcharge for superannuitants:
- Changing some of the terms relating to income, so they are consistent with the Taxation (Core Provisions) Act 1996:
- Clarifying that the Director-General of Health is responsible for pharmaceutical subsidy cards:
- Redrafting some definitions and regulations to make them easier to understand.

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