

CIRCULAR

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NEONATAL FACILITIES FOR THE TREATMENT OF NEWLY BORN CHILDREN APPROVAL UNDER THE HEALTH INSURANCE ACT 1973

This Circular outlines the Commonwealth conditions under which basic table health insurance benefits are payable in respect of a newly born child accommodated with its mother.

This Circular replaces Circular 95/29 which was issued on 3 April 1995. The amendments that follow are as a result of queries received in relation to NSW Health Circular 95/29 and Commonwealth HBF 374 / PH 207.

A meeting was held with representatives from the Australian College of Paediatrics, the Australian Neonatal Nurses Association, the Australian Private Hospital Association, the Australian Health Insurance Association, Medibank Private and the NSW Department of Health where an undertaking was made for the Commonwealth Department to examine the legislation that currently defines "patient" with a view to amending it to encompass Casemix developments.

The Commonwealth have noted that such legislative amendment could take some time. The arrangements outlined in this Circular will apply until further notice.

Hospitals with facilities which meet the criteria set out in paragraph 4 below may apply for approval, under Section 3 (2) of the Act to the Director, Health Insurance Services Section (MDP2), Commonwealth Department of Family Services and Health, GPO Box 9848, Canberra ACT 2601. **Approvals will be renewed every three years.** Hospitals which currently have approved neonatal facilities will automatically hold their approval and will be subject to review to ascertain whether the requirements outlined above are being met. A further one year extension, from the date of review, will be granted at this time. If the above criteria are then not met, approvals will not be re-issued.

The Commonwealth Department will be contacting State/Territory Health Authorities in the near future to instigate the re-inspection of hospitals (both public and private) with approved special care units.

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1. Under the National Health Act 1953 and the Health Insurance Act 1973 the definition of a "patient" in relation to a hospital, excludes a newly born child whose mother also occupies a bed in the hospital except under the following circumstances as outlined in Section 3 (2) of the Health Insurance Act 1973:-
 - (a) a newly born child who occupies an approved bed in an intensive care facility in a hospital, being a facility approved by the Minister for the purposes of sub-section 3(2), for the purpose of the provision of special care shall be deemed to be a patient of the hospital; and
 - (b) where there are two or more newly-born children of the same mother in a hospital each such child in excess of one shall be deemed a patient of the hospital.

The above is extracted directly from the Health Insurance Act 1973. The Department is administering this to provide for the occupancy of a newborn in a special care facility within a hospital. Neo-natal special care means monitoring and care for newly born children suffering from illness or disability at both requiring specialist medical care, nursing attention and hospital treatment.

2. By administrative decision a newly born child is regarded as a child 9 days old or less.
3. Accordingly, except in the case of multiple births, as outlined in paragraph 1(b) above, the basic table benefit is not payable in respect of a newly born child accommodated in hospital with the mother unless such a child is accommodated in a separate neo-natal special care facility which has been specifically approved for that purpose.
4. For the purpose of the approval of hospital facilities under Section 3(2) of the Health Insurance Act the following prerequisites apply:
 - C Facilities for caring for babies including those requiring incubator care and//or cardio-respiratory monitoring, and/or babies requiring intravenous fluid (IV) fluid therapy, tube feeds, or phototherapy. Service provides short term assisted ventilatory care, pending transfer to higher level of service.
 - C A specialist paediatrician with experience in neo-natal care is on the clinically accredited staff of the hospital and a neonatal paediatric registrar or medical practitioner with experience in neonatal paediatrics is available 24 hours.
 - C Has a senior nurse appointed in charge of the special care nursery are (preferably a midwife) with extensive experience in high dependency neonatal nursing and/or with post graduate qualifications in neonatal nursing. Some registered nurses to have paediatric or neonatal/perinatal training. All nurses working regularly in the unit should demonstrate regular (at least yearly) attendance at continuing education on neonatal care. A minimum of one registered nurse (preferably with post-basic qualifications) on staff per shift. Minimum nursing ration of 1:4 cots.

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- C Access to suitably qualified and experienced pastoral care workers, psychiatrists and allied health professionals should be provided for.
- C The service has a formal quality assurance program.
- C The special care unit has an established link with a tertiary referral intensive care unit which may include the rotation of physicians/neonatologist(s).

Essential to support the Neonatal Special Care Unit

(a) Pathology

The special care unit is supported by a formal pathology service with a specialist medical director. The pathology service has a blood bank with cross-matching immediately available. A range of routine tests are immediately available, including haemoglobin, blood gas analysis, Na, K. The pathology service has a formalised quality assurance program in accordance with NATA and the Royal College of Pathologists of Australasia (RCPA) requirements. The pathology service has a 24 hour on call service.

(b) Pharmacy

The special care unit is also supported by a pharmacy with at least one permanent full-time pharmacist, and support staff. A pharmacist is on-call for emergency advice. The pharmacy controls drug distribution to the unit. The clinical pharmacy service includes drug information, drug monitoring, utilisation review, and adverse drug reaction reporting.

(c) Diagnostic Radiology

Facilities for general x-ray are available in addition to a mobile condenser discharge for wards. A staff radiographer is on-call 24 hours. A specialist radiologist is appointed to the service.

5. Where such facilities are approved under Section 3(2) of the Act the following administrative procedures will also be necessary in order to attract a basic table benefit for newly born children accommodated therein.

- (a) the newly born child must be formally admitted as a patient of the hospital in which it receives medical care;
- (b) the admitting medical practitioner must certify:
 - C the diagnosis of the child;
 - C that the newly born child was under the care of a specialist and the medical care was deemed necessary by that specialist and that the child was accommodated in an approved separate special care facility; and

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- (c) the hospital must have appropriate admission, discharge and transfer policies in place commensurate with the levels of services able to be safely provided at the facilities.

As a guide it is envisaged that the following could constitute special care when such care is rendered in the approved neonatal special care unit:

- C Babies who require continuous monitoring of respiration or heart rate, or by transcutaneous transducers;
- C Babies who are receiving additional oxygen;
- C Babies who are receiving intravenous glucose and electrolyte solutions;
- C Babies who are being tube fed;
- C Babies who have had minor surgery in the previous 24 hours;
- C Babies who are being barrier nursed;
- C Babies who are receiving phototherapy;
- C Babies who are receiving special monitoring (eg frequent glucose or bilirubin estimation);
- C Other babies receiving constant supervision (eg babies whose mothers are drug addicts);
- C Babies with conditions requiring radiological examinations or other methods of imaging; and/or
- C Dying babies.

The following criteria are effective from 1 July 1996.

For your information.

John Wyn Owen
Director-General