



Australian Government

Department of Health

Mr Tony Simovski
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Dear Mr Simovski

Regulation Impact Statement – final assessment second pass

I am writing in relation to the attached draft Regulation Impact Statement (RIS) prepared for the Dental Benefits Amendment Bill.

I believe the RIS meets best practice requirements and is consistent with the then principles for Australian Government policy makers.

In particular, I note that the draft RIS now addresses the following issues raised in your letter of 26 April 2016:

1. The RIS should not be written as a retrospective document as it is a document that is provided to the decision maker when a final decision is made.

Noted.

2. Problem Section: The RIS does not describe the problem from a regulatory perspective. The status quo needs to be more fully described, particularly in terms of the gap (including the magnitude of the gap) in terms of coverage under the current scheme. That is, what is the regulatory failure?

The policy problem is described as an issue about effectiveness of government expenditure.

3. Rather than saying “a RIS is now required at the point of introduction of the legislation” the RIS should say that the RIS is required for the final decision to implement the measure.

This has been addressed in the RIS.

4. Generally, a RIS must have at least three options. A RIS may consider less than the three options, but an agency needs to certify in the RIS that the policy problem and circumstances are such that fewer than three options are feasible. It is not appropriate, however, to say that three options are not possible as a decision has been made; rather, the reason needs to be in terms of the feasibility of having three options.

This has been addressed in the RIS in the introduction to the “policy options” section.

5. Impact Analysis: Overall the section needs to outline how the measure will change the status quo. Specifically:
 - a. The RIS needs to outline the impacts on private dentists. There is no discussion in the RIS about the likely impacts on private dentists as a result of the policy change. Will they be better or worse off?
 - b. The RIS needs to outline the impacts on consumers, including the number of new consumers eligible for assistance, impacts on choice and waiting times (the RIS says waiting times may be reduced – the RIS should explain how this will come about).
 - c. The regulatory costs which may be imposed by the States should also be discussed.

This has been addressed in the RIS.

6. Consultation: The consultation section should describe when and how stakeholders were consulted and needs to outline the views of each of the stakeholders, including whether there was any support for the scheme. It currently only notes views for the Australian Dental Association without describing the comments in detail and whether the views have been responded to in developing the proposal.

This has been addressed in the RIS.

7. The Preferred Option: The discussion on the preferred option should better outline how the benefits of the option, particularly those to consumers, outweigh the costs. Currently the RIS does not demonstrate that the conclusion reached that option 2 is the best option.

This has been addressed in the RIS.

8. The RIS needs to explain the status of the RIS at major decision points, including the status of the RIS when the proposal was announced on 23 April 2016.

The RIS was in development at the time when the new scheme was announced by the Minister for Health on 23 April 2016.

I submit the draft RIS to the Office of Best Practice Regulation for final assessment.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Cormack'.

Mark Cormack
Deputy Secretary

April 2016