

Rural Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2011

Infrastructure and Transport

Question no.: 94

Program: n/a

Division/Agency: (AMSA) Australian Maritime Safety Authority

Topic: Marine Orders Development Process

Proof Hansard Page/s: 82 (25/05/11)

Senator Colbeck asked:

Senator COLBECK: The public submissions for the first stage of the process, for the development review, closed on 29 April. Can you tell us how many submissions you received on that?

Mr Peachey: I do not have those details.

Senator COLBECK: If you could give us that on notice, that would be fine, including an indication of the type of stakeholders that were involved. Once you develop a draft, it will go out to further rounds of consultation?

Mr Peachey: Yes, that is my expectation.

Answer:

On 31 March 2011, stakeholders including State maritime authorities, recognised Classification Societies and industry representative bodies were invited to comment on AMSA's Marine Orders development process. Invitations to comment were also advertised on AMSA's website and the National Maritime Safety Committee (NMSC) website.

Nine submissions were received by AMSA from industry bodies and State maritime authorities.

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Question no.: 95

Program: n/a

Division/Agency: (AMSA) Australian Maritime Safety Authority

Topic: Appointment of Medical Inspectors of Seafarers and Coastal Pilots

Proof Hansard Page/s: Written

Senator Heffernan asked:

- 1) I refer to recent changes affecting medical inspectors of seafarers and coastal pilots. I understand that AMSA has contracted Medibank Health Solutions to advise them on what doctors to appoint as new Medical Inspectors of Seafarers and Pilots (MIS). Is this correct?
- 2) When was this contract concluded?
- 3) What are the conditions of this contract?
- 4) What is the length of this contract?
- 5) What tender process was undertaken to award this contract?
- 6) How many other companies were considered?
- 7) What considerations lead to Medibank Health Solutions being given this contract?
- 8) Prior to Medibank Health Solutions being awarded the contract, what arrangements were in place for the appointment of MIS?
- 9) Prior to the contract being concluded, how many recommended MIS were there in Australia?
- 10) Subsequent to the contract being concluded, how many recommended MIS are there in Australia?
- 11) What provisions are there in the contract for the appointment of MIS?
- 12) What oversight does AMSA have to ensure that appropriate MIS are appointed?
- 13) What oversight does AMSA have to ensure that Medibank Health Solutions does not give preferential treatment to doctors Medibank Health Solutions has a pre-existing relationship with over other doctors with experience as MIS?
- 14) Is the Department aware of industry complaints the only Medibank Health Solutions doctors are being recommended as MIS?
- 15) What is the Department's response?
- 16) I understand that Medibank Health Solutions have decided to re-appoint only doctors working in their own centres and that no other doctor who is within 300km or 3 ½ hours drive from one of their centres is to be reappointed. What is the Department's response to these allegations?
- 17) Why is the Department allowing preferential treatment to some doctors over other doctors who have previously been MIS for many years?
- 18) Why is the Department allowing an exclusion zone to be implemented which in effect excludes otherwise capable doctors of becoming an MIS?
- 19) What provision is there for the Department to revise or terminate the contract it has signed with Medibank Health Solutions?
- 20) What provision is there for the Department to review the contract it has signed with Medibank Health Solutions?
- 21) In light of industry concerns, will revision, termination or review be undertaken?

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Answer:

- 1) AMSA signed a Memorandum of Understanding (MOU) with Medibank Health Solutions (MHS) in February 2011 to provide medical assessment services for seafarers and coastal pilots. There is no formal contract in place.
- 2) The new arrangements were finalised upon signing of the MOU in February 2011.
- 3) The MOU sets out a range of conditions, including:
 - establishing the key obligations for MHS to undertake the provision of medical assessment services for seafarers and coastal pilots on behalf of AMSA;
 - that termination of the MOU may be given by either party with at least six months written notice;
 - that both parties should meet on a six monthly basis for the purpose of reviewing the MOU and other operational aspects, the result of which could lead to amending the MOU; and
 - that AMSA formally audit MHS on an annual basis.
- 4) The MOU came into effect on 1 March 2011 and will remain in effect for a period of three years.
- 5) AMSA published an Expression of Interest (EOI) in the *Australian* newspaper in May 2007.
- 6) Ten (10) submissions were received from interested parties, of which three were short listed for consideration by an AMSA selection committee.
- 7) MHS was selected as the successful applicant based on demonstrated evidence that they had in place a national network of doctors, a quality management system and fulfilled all aspects of the EOI, including training, vetting of medical certificates and auditing.
- 8) Prior to the signing of the MOU, the system required a registered medical practitioner to apply to AMSA in writing to be appointed as a Medical Inspector for Seafarers (MIS). As part of this process, AMSA issued guidelines to all MIS.
- 9) Prior to the signing of the MOU, 287 MIS were appointed by AMSA.
- 10) The signing of the MOU with MHS has resulted in the number of MIS being reduced to 147. Of the 147, 48 are not employed by MHS and are known as Approved Medical Providers (AMP).
- 11) MHS must provide medical assessment services throughout metropolitan and regional areas, particularly in areas with a significant shipping presence. Prior to the appointment of MIS, MHS medical practitioners and AMPs must be provided with approved maritime industry specific training and instructions.
- 12) Part of the MOU sets out the requirements for which MHS must comply before they can recommend a medical doctor to AMSA for appointment. These requirements cover issues such as training, understanding of AMSA's guidelines and the requirements of Marine Order Part 9 – Health and Medical Fitness for seafarers. Appointed medical practitioners must also be registered within in their state/territory.
- 13) The MOU governs the conditions for MHS selection of appropriate medical practitioners. 48 of the 147 MIS are not employed by MHS.
- 14) Yes. AMSA received seven representations from the 287 previously appointed MIS.

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- 15) AMSA changed its previous system in response to submissions by shipping companies and shipping operators of inconsistent interpretation of the published AMSA medical guidelines and significant errors in the issuing of medical certificates.
- 16) In addition to the 99 MHS appointed MIS's, 48 non-MHS affiliated doctors are also appointed to provide coverage to all metropolitan and regional areas.
- 17) The Department is not providing preferential treatment for any medical practitioner.
- 18) Refer to the response to question 17.
- 19) Under the terms of the MOU, both parties will meet every six months for the purpose of reviewing the MOU and other operational aspects, the result of which could lead to amending the MOU. The MOU may also be terminated by either party with at least six months written notice.
- 20) Refer to question 19.
- 21) AMSA intends to conduct a review of the new arrangements in late 2011.