



## **Australian Government**

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### **Civil Aviation Safety Authority**

## **CASA ANNOUNCES DECISION NOT TO DELEGATE ISSUE OF MEDICAL CERTIFICATES FOR PRIVATE PILOTS**

### **Background**

The CASA Office of Aviation Medicine issues medical certificates for professional pilots (Class 1), private pilots (Class 2) and air traffic controllers (Class 3) through a centralised system, based on assessments performed by designated aviation medical examiners (DAMEs) throughout Australia and overseas. In 2006, CASA implemented government policy in relation to cost recovery for regulatory services, including medical certification.

Following negative feedback from the aviation community (General Aviation – GA in particular), CASA undertook a public survey<sup>1</sup> to examine options for the issuance of (Class 2) private pilot medical certificates, including the option of delegating this role to DAMEs. The survey results<sup>2</sup> showed that medical applicants were very supportive of CASA exploring such options though there was less support from DAMEs and groups representing them with concerns raised about liability and the loss of centralised records.

In response to the findings of this survey, CASA's Office of Aviation Medicine undertook an extensive feasibility assessment of potential models for issuance of medical certificates including full delegation to DAMEs for all classes of certification. This assessment included examining a safety case and a cost benefit analysis. The assessment also included an analysis of potential interactions with other current regulatory changes including the proposed establishment of a recreational pilot's license (RPL) under Part 61. This assessment was presented to the CASA executive in late 2007.

A number of potential benefits and risks were identified and assessed in the analysis and some of the major issues are outlined below:

### **Benefits**

The following potential benefits of delegation were identified:

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<sup>1</sup> CASA Delegation survey results <http://www.casa.gov.au/avmed/class2/class2report.pdf>

<sup>2</sup> CASA Delegation survey results <http://www.casa.gov.au/avmed/class2/class2report.pdf>

- Consistency with CASA's current philosophy of outcome based regulation with industry assuming increased responsibility for safety and CASA auditing outcomes.
- Potential benefits for certificate applicants in terms of costs and convenience. Delegation would enable a 'one-stop shop' for applicants who met the standard in full.
- For CASA a potential benefit would be improved industry relations and reduced administrative burden.
- A closer alignment with other licensing authority models (e.g. FAA, JAA, NZ CAA) who operate delegated models.
- Increased autonomy and responsibility for DAMEs

During the safety cost benefit analysis, it became evident that some of the potential benefits might be reduced by the impact that delegation could have on the DAME responsibilities. For example, some DAMEs indicated in the survey that they did not wish to assume this challenge or responsibility due to concerns about litigation and advised that they would not take it on and may even resign. Others indicated that as taking on issuance would be potentially more time consuming, they would be likely to increase their fees, particularly if they were required to 'work up' a complex case.

### **Risks**

The following potential risks were identified with a delegated model:

- Variability of DAME decisions – the analysis showed that DAME recommendations often vary significantly from the final CASA specialist decisions. This can result in:
  - (i) Inappropriate denial of certification; or
  - (ii) a potential safety risk; and
  - (iii) a lack of consistency between applicants.
- Legal liability of DAMEs – there was concern amongst a significant proportion of the DAME population that devolution of certification may result in increased liability or 3rd party insurance costs. Other DAMEs have suggested that from discussions with their insurers, these concerns may be unfounded or exaggerated.
- Risk to the DAME network - in the delegation survey, a minority of DAMEs suggested that if delegation were implemented, it may drive them to cease acting as DAMEs. This may risk coverage in rural areas as it particularly affected those doing fewer medicals.
- The potential loss of a centralised records system – Many stakeholders mentioned the importance of the centralised record store which is useful not only when an applicant changes DAMEs but also for analysing aeromedical issues and trends and in the case of an incident or accident.
- Potential financial risks to industry - there was a risk identified that a delegated model may be more costly for industry based on:
  - (i) Increased DAME fees, particularly if required to work a case up. This could potentially exceed the flat \$75 CASA fee and, if a case was deferred to CASA, a higher fee would be levied.
  - (ii) If a centralised record is maintained, CASA would be required by government to charge a fee to receive and store files.
- The inefficiency associated with the requirement for dual systems – one for class 1 and 3 issuance and a separate system for class 2 issuance.

## **Other considerations**

### **1. Interactions with other proposed CASA legislation**

Draft legislation in the proposed Part 61<sup>3</sup> had relevance to the assessment as it proposes changes that include the development of a sub-ICAO recreational pilots licence (RPL).

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<sup>3</sup> Part 61 NPRM <http://www.casa.gov.au/newrules/parts/061/index.asp>

This license would enable holders to fly with a single passenger for day VFR operations in certain airspace without a CASA issued medical certificate. Part 61 therefore provides an alternative means of reducing the medical (and cost recovery) burden on that section of GA that poses a lower risk to the general population.

## 2. Reduced medical costs and improved service delivery

The main drivers for consideration of delegation were not safety but rather costs and convenience. When CASA first introduced a medical assessment fee of \$130 in January 2006, dissatisfaction was exacerbated by poor service delivery. Since that time, service delivery standards have improved markedly and efficiencies introduced. The fee was also subsequently reduced to \$75 from 1<sup>st</sup> June 2007. A project is also currently underway for the upgrade of the MRS-Online system which should assist in gaining further efficiencies and reduced cost recovery burdens.

### **Conclusion**

The findings of the safety-cost analysis were that whilst delegation of certificate issue to DAMEs had merit in terms of convenience and potentially reduced costs to healthier individuals, there was a significant risk of reduced aeromedical safety and decision consistency and also a potential negative financial impact to certificate holders with medical conditions. In terms of delegating only class 2 certificates, the assessment also found that running parallel systems (one for centralised for professionals and one delegated for private certificate holders) would be inefficient and if delegation of certification is pursued it should be across all classes of certificate. With either model, the safety importance of maintaining a centralised medical database was stressed

In light of these findings the CASA executive has decided against the delegation of class 2 certification at this time but notes that the reduced medical certification requirements for the RPL proposed under Part 61 provide an alternative means of reducing the cost and administration burdens on lower consequence flying. It was also determined that an investment in improved efficiencies of the current medical certification system via the use of information technology could further reduce the cost recovery burden on industry and further improve service delivery.