

A Hospital Experience - Filling in the Gaps for Patients

Restrictions & Exclusions in Health Insurance:
Problems & Solutions

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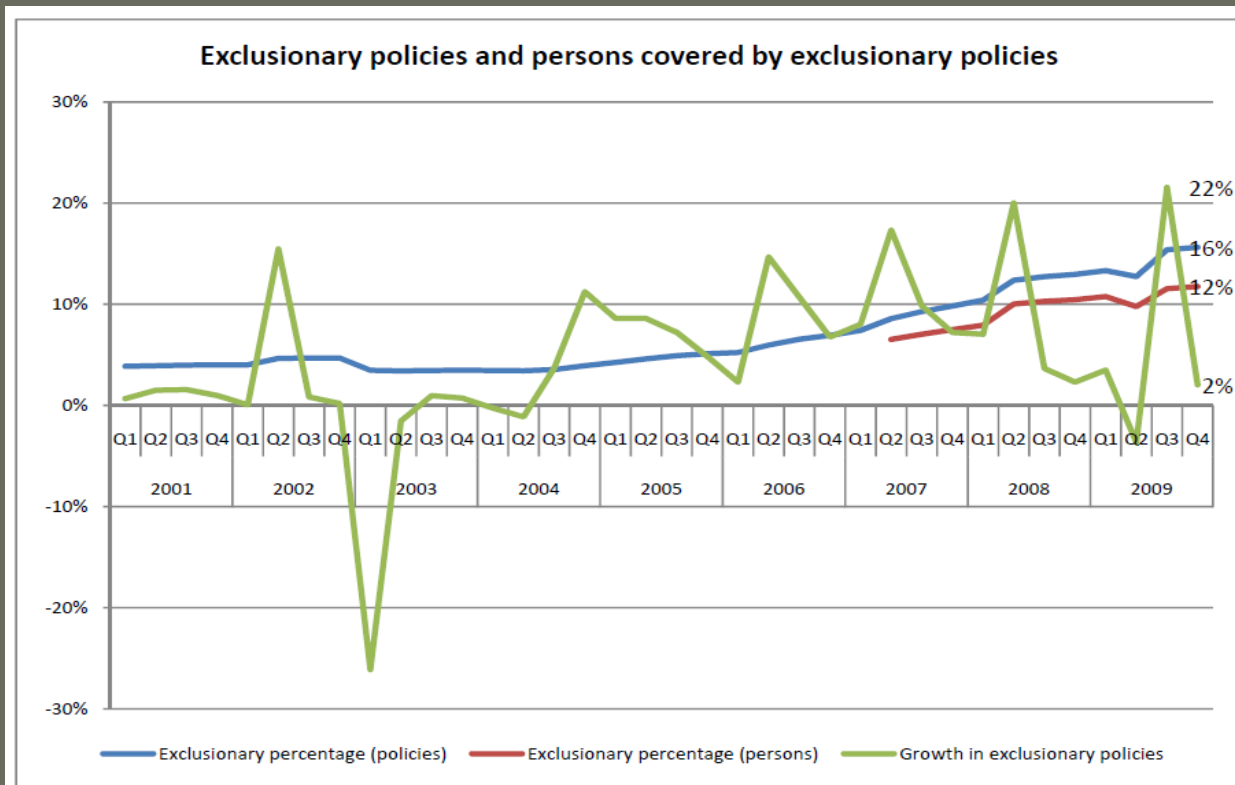


Restrictions & Exclusions?

- Restrictions: Policies that restrict the benefits payable for a specific treatment
- Exclusions: Policies that do not cover a specific treatment

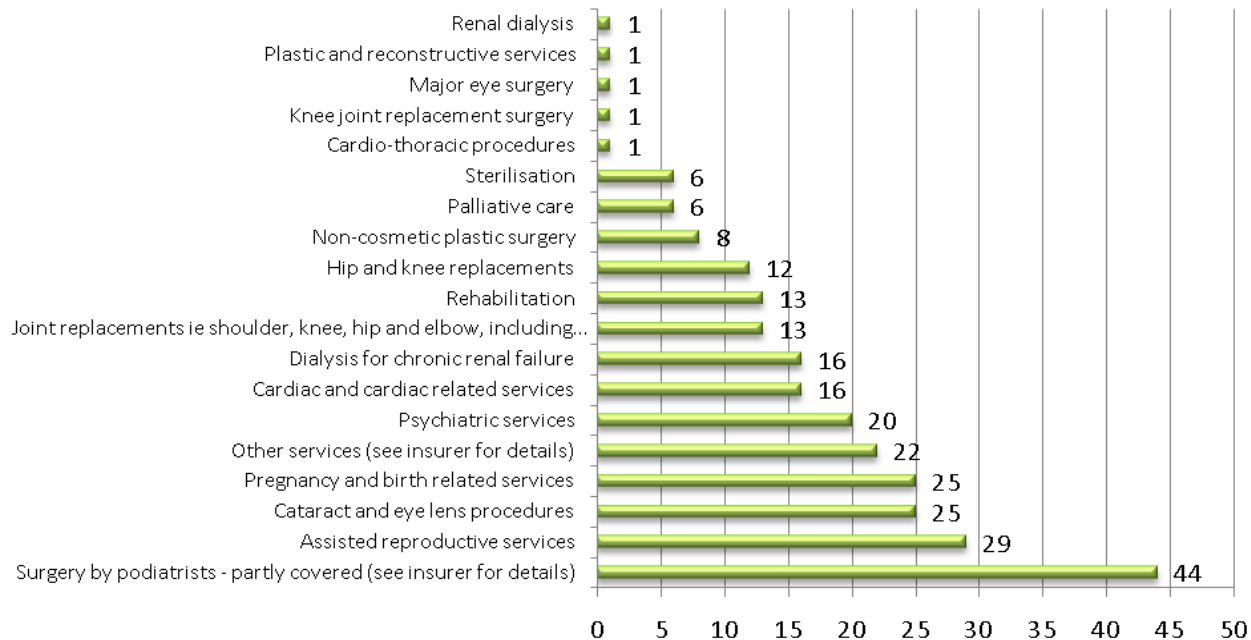


The Size of the Issue



The 6 Largest Insurers

Services excluded/restricted by policies on sale by the largest insurers



The confusion



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"Your medical insurance doesn't cover 'Acts of God' - like illness."



The Problems

- Members are being unexpectedly refused treatment
- Affecting income
- Ongoing problems into the future
- Devaluing the private health insurance proposition



Some practical tips

- Engage with your admitting doctors
- Engage with your patients – the time of an aborted admission is not too late!
- Educate your staff – this is complex and complicated



Engaging with your Doctors



Engaging with your Patients



Educating your Staff



The APHA Psych Approach

Admissions to private psychiatric hospitals

Many patients do not realize until they are admitted to a private psychiatric hospital that their health insurance will not adequately cover them.

There have been a number of changes to the level of psychiatric cover offered by a number of private health insurance policies. Less than half of all policies on sale from the major insurers cover the cost of an admission to a private psychiatric hospital. This document provides an update on the private health insurance options available to fund private psychiatric treatment.

What are the private health insurance options for funding treatment?

Not all private health insurance provides full cover for treatment as an in-patient in a private psychiatric hospital. Many policies only partially cover such treatment and recently restrictions have been added to policies that previously provided full cover for psychiatric treatment. Policy holders often assume that they will be covered for psychiatric treatment but private hospitals are finding that on checking health insurance cover on admission many patients are not fully covered for a stay in a private psychiatric hospital. By checking their policy to see if it fully covers psychiatric

services, patients can identify if they are fully covered for treatment in a private hospital or if they need to upgrade their policy.

The **maximum waiting period** for those who need to take out or upgrade private health insurance that fully covers psychiatric treatment (including **pre-existing conditions**) is **two months**.

Even if a patient does not currently hold private health insurance they can take out a policy that fully covers psychiatric treatment and will be entitled to the full policy benefits after two months.

Key points about private health insurance and psychiatric treatment

- More than half of the policies on offer do not provide adequate cover for a stay in a private psychiatric hospital
- Some insurers have moved psychiatric treatment from full benefits to a restricted benefit on some of their policies.
- Many patients are unaware that their private health insurance might not cover private psychiatric treatment

Anybody can take out private health insurance that covers psychiatric treatment. The maximum waiting period is two months – including for pre-existing conditions.

Australian Private Hospitals Association - April 2014 • Admissions to private psychiatric hospitals • Important update

