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Major parties commit to improving private health insurance for Australians

Both major parties have now committed to ridding Australia of “public hospital only” private health insurance policies, a win for Australian consumers, says Australian Private Hospitals Association (APHA) CEO Michael Roff.

Mr Roff welcomed Labor’s announcement yesterday that it would also remove the Private Health Insurance Rebate from policies that only cover public hospital treatment.

“APHA has long campaigned against these policies which force Australian consumers to pay thousands of dollars in premiums for care they can access through Medicare for free. These policies are called ‘junk’ for a reason – Australians cannot access the high quality care from a private hospital through these health insurance policies.”

However, Mr Roff said some concerns still remain, including Labor’s decision to freeze indexation on the private health insurance rebate until 2026, which will impact affordability of policies.

“We don’t encourage any policy that will limit Australians’ access to care, whether that’s a payment barrier or an affordability barrier.

“There is still a great deal of work to be done to improve private health insurance in Australia. We want more action on information provided to consumers from health funds. Too many Australians are buying policies written in jargon that do not spell out which services are excluded from cover.

“Too often it is the private hospital staff who have to deliver the heartbreaking news to a patient that they are not covered for a procedure. And this is when the patient is unwell and vulnerable. There is a better way to ensure Australians know what they are paying for with private health insurance.

“Plain English private health insurance policies, clear descriptions of what policies cover and what they don’t so people know the value of the product they are buying. Data from an APHA survey from 2015 shows that 39% of Australians don’t know if their private health policy has any cover exclusions. Of those who do know they have exclusions, almost a third could not name the services that are not covered.

“It is clear that while both major parties have committed to making some changes to private health insurance, there is still a long way to go before Australians are given a fair go when assessing their health cover,” Mr Roff said.

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