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## Making sense of private health insurance

The move to simplify private health insurance policies will mean Australians understand the cover they are buying and can be sure it meets their healthcare needs, says Australian Private Hospitals Association (APHA) CEO Michael Roff.

Mr Roff said this morning's announcement from Health Minister Sussan Ley that a re-elected Turnbull government will simplify policies, billing and standardise medical terms would be welcomed by private hospital providers, who too often have to break the news to patients that they are not covered for certain procedures.

"APHA has long campaigned on behalf of consumers for a simpler system of private health insurance. We know there is a great deal of confusion about health insurance policies. Too many Australians are paying for policies that don't meet their needs, but don't find out until they are in a health emergency.

"Our research shows that 40% of health fund members don't know if their policy excludes cover for key services. This situation has to change.

"We also welcome the move to cut 'junk' policies which offer little protection and no value. Policies with multiple exclusions and so-called "public hospital only" policies are next to useless so the move to mandate a minimum level of cover is a good step forward. This is particularly the case when some large health insurers are trying to remove benefits for mental health and rehabilitation.

"Introducing plain English policies and a standard set of definitions for medical procedures should make it easier for consumers to understand and compare their cover."

Mr Roff said the initiative to create a private health insurance product specifically for Australians in regional and rural Australia is a good step forward to improve health outcomes for the bush by providing better access to the private health system.

"The Minister's announcement shows she understands the value of private hospitals as a fundamental part of the health system offering consumers choice and taking pressure off public hospitals.

"However, APHA would like to see action on public hospitals charging privately insured patients, even though they are entitled to free care in the public system. This practice costs health funds over \$1 billion each year and is a key factor driving premium growth," Mr Roff said.

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