



ISSUED: Wednesday, 21 June 2017

Public hospital rorting bad for patients - report

A new report from Catholic Health Australia (CHA) says public hospitals offering inducements to patients to use their private health insurance in public hospitals is negatively impacting Australian patients and could undermine the sustainability of the health system.

The report – *Upsetting The Balance: How the growth of private patients in public hospitals is impacting Australia’s health system* – adds to the increasing weight of evidence that this issue needs to be addressed by Federal and State governments, according to Australian Private Hospitals Association (APHA) CEO Mr Michael Roff.

“This issue goes to the heart of what Medicare was created to do – provide access to health care for those who can least afford to pay for it. The most recent data from the Australian Institute of Health and Welfare (AIHW) shows public hospitals are allowing privately insured patients to jump the queue, adding to already long waiting lists for elective surgery and forcing those without, to go without.

“The AIHW report out just a month ago, showed median waiting times for public hospital treatment for public patients is twice as long as for those with private health insurance. Public hospitals were not designed to be a cash cow for State Treasurers, they are there to treat those in need, at the time of their need, whether they can afford to pay for it or not.

“There has been a 10.5 percent increase in private patients treated in public hospitals in the five years to 2015-16. This issue must be addressed to guarantee access to public hospital beds for public patients and to improve the affordability of private health insurance.

“While there are ongoing discussions about reforming private health insurance to make it more valuable to Australians, insurers are tipping upwards of \$1.1 billion into the public hospital coffers with very little benefit to patients and forcing private health insurance premiums significantly higher than they need to be,” Mr Roff said.

The CHA report has evidence of inducements to patients, including gifts, holidays or as a ‘favour’ to the hospital to purchase equipment. In some cases patients were falsely told ‘that a nearby private hospital was full’.

“The examples in this report are not new, we have heard many similar stories. If patients were told the truth – that using their private health insurance in a public hospital might mean other Australians miss out on much needed care, the sign up rates would be significantly lower.

“APHA recognises that Health Minister Greg Hunt understands this issue and will continue discussions with his State and Territory colleagues. We look forward to continuing our work with him to find a solution that benefits Australian patients and provides access to quality health care for all,” Mr Roff said.

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Media contact: Frith Rayner, Director Communications and Marketing: 0413 971 999