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## New legislation package benefits consumers

A package of reforms introduced to Federal Parliament today are the starting point for a more transparent private health insurance system for consumers, says Australian Private Hospitals Association (APHA) CEO Mr Michael Roff.

The Private Health Insurance Legislation Amendment Bill 2018 brings in a range of changes, including improving information provision for consumers and allowing private health insurers to fund travel and accommodation costs for regional Australians.

“The Bill will also strengthen the powers of the Private Health Insurance Ombudsman which should result in more transparency and improved outcomes for consumers who have complaints. The changes will enable the Ombudsman to more effectively investigate issues consumers have with insurer’s products.

“Allowing for age-based discounts for hospital cover should incentivise younger people to sign up to private health insurance, making the product more sustainable. The introduction of a Private Health Information Statement’ will also improve transparency for consumers on their products and any changes insurers make,” Mr Roff said.

While Mr Roff welcomed the changes, he said it was now up to the big insurance companies to enter into the spirit of the reforms.

“This is an opportunity for private health insurance companies to provide a better, higher value product to consumers. There has been some evidence of late that health insurers are reluctant to do this, but we hope to see that change.

“There remain some concerns from the private hospital sector that insurers will not meet the needs of consumers with the changes, particularly in the area of mental health. While the opportunity to instantly upgrade to take advantage of private mental health care is a positive move, we will be closely monitoring the implementation of the measure to ensure insurers don’t put artificial barriers in the way.

“Private mental health facilities treat about 40,000 Australians every year, they take enormous pressure off the public system and it is important that access to private mental health care is made available to those who need it. It’s up to private health insurers to make that happen,” Mr Roff said.

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