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Grattan Institute report fails to understand private sector

The latest Grattan Institute report on private health insurance shows a complete lack of understanding of the contribution of the private health sector to Australian health care, says Australian Private Hospitals Association (APHA) CEO Michael Roff.

“The report – which by its own admission raises questions but provides no answers – fails to understand the basics of private hospital care. This is concerning when it claims to be the basis for discussing Government support of health insurance.

“As a basis for policy-maker decision making, its failure to understand what private hospitals offer Australians it is a poor starting point for the debate.”

Mr Roff said the ‘context’ provided by the report for policy makers is outdated and flawed.

“The report claims ‘Complex procedures requiring specialised equipment of skills are rarely available in private hospitals’.

“This is absolute rubbish. New technology and equipment are almost universally introduced first into the private system. A good example of this is robotic surgery. Commonplace now in major private and public hospitals, this technology was pioneered in Australia at the Epworth, a private hospital in Melbourne.

“There are 801 procedures available in public hospitals, private hospitals perform 796 of them. The five not performed in private are major organ transplants,” he said.

Additional debate on health insurance is welcomed, but needs to be a genuine discussion of ideas – based on facts and a real understanding of the system, not notions of how things were last century.

“We need to ensure there is genuine, sector-wide and Government cooperation to address issues. This means not simply adopting simplistic health insurer proposals to stop paying for services or denying their members’ access to high quality care if a health fund bean counter thinks they should only get access to a cut-price option.

“We know out-of-pocket medical costs are a cause of consumer dissatisfaction and there is a collaborative process underway to address that issue.

“Recent revelations about major health funds illegally rejecting customer claims mean we need to review if current regulations are strong enough. But we also need a discussion about the role of so-called junk policies – are they products that are fit for purpose or do they ultimately undermine the value proposition of private health?” Mr Roff said.

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Report: <https://grattan.edu.au/report/the-history-of-private-health-insurance/>

The Australian Private Hospitals Association (APHA) is the peak industry body representing the private hospital and day surgery sector. The private hospital sector treats 3.69 million patients a year, including treatment of more than a third of chemotherapy, 60 percent of all surgery, 74 percent of all elective musculoskeletal surgery and 79 percent of rehabilitation.

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