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MEDIA RELEASE

Labor-Greens Agreement Threatens Private Health Insurance.

The Private Health Insurance Industry's peak body, the Australian Health Insurance Association, says premiums for 11.6 million Australians will rise by a minimum of 43% if the Private Health Insurance Rebate is abolished as a result of the Labor-Greens agreement announced today.

The Chief Executive Officer of the AHIA, Dr Michael Armitage, has written to Prime Minister Gillard seeking clarification on the future on the Rebate following the release of the agreement between the Gillard Government and The Greens.

The letter reads ...

"My concern relates to the policy reference to dental health in the agreement between the Australian Labor Party and The Greens, which includes a "commitment to work ... on dental health care investment".

During your address to the National Press Club yesterday, you indicated that there would be no increased Budget Expenditure as a result of your negotiations to form a Government.

During the Election Campaign, Senator Bob Brown said that the Greens commitment to provide Dental Care would be funded by the removal of the Private Health Insurance Members' Rebate.

These statements, when read together, cause great concern for those 11.6 million Australians who have chosen to be privately insured, as it would appear that the Australian Labor Party could be contemplating the removal of the Private Health Insurance Members' Rebate to fund this commitment."

Dr Armitage has asked the Prime Minister to clarify whether the agreement with the Greens to work on dental health care investment specifically excludes the removal of the Rebate.

On 29th July, Senator Brown told ABC radio that the Greens would "*abolish the Rebate to fund a Denticare scheme, and at the same time reduce health system costs by \$2.3 billion*".

"The abolition of the Rebate would have a major effect on 11.6 million privately insured Australians, especially on those 5.6 million with incomes less than \$50,000 and on those 3.4 million with incomes less than \$35,000.

"This is an issue which directly affects more than 50% of the Australian population and ultimately affects all Australians requiring health care," said Dr Armitage.

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