



18 May 2010

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## MEDIA RELEASE

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### **PHI Membership Keeps Pressure off Public Hospitals**

The Australian Health Insurance Association (AHIA) has welcomed figures released by PHIAC today which show an increase in the number of privately insured Australians for the March 2010 quarter.

AHIA Chief Executive Officer, Dr Michael Armitage, said that while the increase of 0.7% in both Hospital and General Treatment cover membership was good news and would ease pressure on the public health sector, the growth rate of Private Health Insurance (PHI) membership has been declining.

Prior to the introduction of changes to the Medicare Levy Surcharge threshold, PHI membership growth peaked at 4.3% in the quarter ending June 2008. Following the Government's changes to the MLS, annual growth in private health insurance membership has been on a steady decline, with latest figures showing growth of 2.2% in the year ending 31 March 2010.

If membership had continued at the rate it was growing prior to the MLS threshold changes, there would be an additional 215,000 Australians privately insured.

Dr Armitage said the number of Australians with Hospital and/or General Treatment Cover increased in the quarter ending March 2010 to 11.5 million. This represented a decline of 0.1% in private health membership as a proportion of the population since the previous quarter. The proportion of the population with cover as at March 2010 was 51.6%.