



Unit 17G
Level 1
2 King Street
Deakin ACT 2600
T (+61) 2 6202 1000
F (+61) 2 6202 1001
E admin@ahia.org.au
www.ahia.org.au

MEDIA RELEASE

PRESIDENT
Mr Richard Bowden
CHIEF EXECUTIVE
Hon Dr Michael Armitage

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Swan's Assault on Private Health Hurts Older Australians

The Private Health Insurance Industry's peak body, the Australian Health Insurance Association, says the new Intergenerational Report demonstrates more than ever the importance of retaining the Private Health Members' Rebate.

AHIA Chief Executive Officer, Dr Michael Armitage, said the Rudd Government was drawing illogical conclusions from the Intergenerational Report.

"The Australian population is ageing and that is a direct result of increased health expenditure, better health outcomes and therefore longer life expectancy. As the population gets older their health requirements and costs will get higher, so it is common sense to encourage older Australians to contribute to their own health costs via encouraging Private Health Insurance," said Dr Armitage.

"The Treasurer however wants to force people out of the private sector and into the public hospital system. This will increase pressure on the public system and force up premiums for those Australians who take responsibility for their own health care by taking out private health cover, as well as adding to the public expenditure which has the Treasurer so concerned.

"The Rudd Government's continued assault on the private health sector comes despite repeated promises from Prime Minister Kevin Rudd before and after the Federal Election that the Rebate was off limits:

"Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians." (Kevin Rudd, 20 November 2007)

"The irony is that it will be older Australians who rely so heavily on Private Health Insurance who will be hardest hit by the Rudd Government's attack on the Private Health Members' Rebate. Their Rebate will be slashed and they will be forced to pay higher premiums and Public Hospital waiting lists will grow," said Dr Armitage.

Media contact: Jen Eddy 02 62021000