

Code of Conduct Compliance Committee

Annual Report
2021-2022



Code of Conduct Compliance Committee Annual Report

15 July 2022

Code of Conduct Compliance Committee

The Code of Conduct Compliance Committee (**Committee**) consists of Byron Gregory (Chair), Gerard Fogarty, Sharon Waterhouse and Samantha Gavel.

The Committee has held five meetings since October 2021.

Private Health Insurance Code of Conduct submissions

As at 30 June 2022, the following five health funds have been deemed by the Code of Conduct Compliance Committee as being compliant with Version 8 of the Private Health Insurance Code of Conduct (**Code**) based on a full self-audit submission:

1. HCF
2. Latrobe Health Fund
3. nib Holdings
4. Phoenix Health Fund
5. Transport Health

Committee activities

The Committee Chair met with Private Health Insurance Intermediaries Association (PHIIA) to discuss both the PHIIA Code of Conduct as well as the PHI Code of Conduct.

The Committee also carried out a review of its Terms of Reference, to ensure it reflects the current Code.

The updated Terms of Reference has been adopted by the Committee and was approved by the Private Healthcare Australia Board.

Sanctions and issues of non-compliance

No sanctions have been issued by the Committee to date and no signatory health funds have been determined as being non-compliant with the Code.

Private Health Insurance Code of Conduct release

June 2022 marks the one-year anniversary of the release of the updated Private Health Insurance Code of Conduct, Compliance Policy and Self-Audit Certification form.

Following its release, the Code of Conduct Compliance Committee invited and received feedback from signatories and released the final version of the Private Health Insurance Code of Conduct in December 2021.

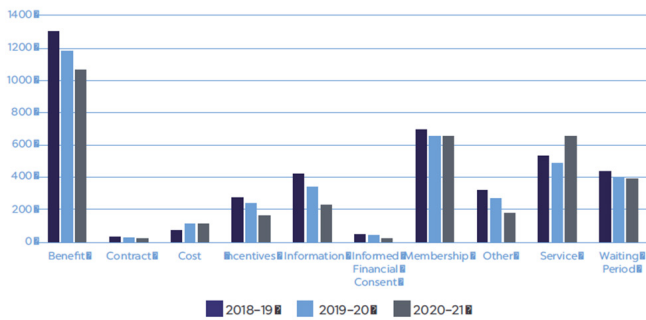
Given the last review was undertaken only six months ago and all signatories have been granted an extension until December 2022 to submit a full Self-Audit, the Committee will review the Code in March 2023 with a further review being undertaken every three years.

2021 State of the Health Funds Report

The Committee notes the importance and relevance of the 2021 State of the Health Funds Report, particularly regarding the guidance it provides to health funds to assist in mitigating a number of ongoing issues. In 2020-21, the Office of the Commonwealth Ombudsman received 3,496 complaints about private health insurance, representing a 5.7 per cent decrease in complaints received compared to 2019-20.¹ The Office of the Commonwealth Ombudsman received 3,706 complaints in 2019-20 and 4,553 in 2018-19.²

A breakdown of the complaint issues received by the Office of the Commonwealth Ombudsman is provided below.

Figure 2: Complaint issues over previous three years



Issues related to benefits, membership and service were the dominant complaint categories received by the Office of the Commonwealth Ombudsman. The 2021 State of the Health Funds Report advised that benefit complaints ‘include those about general treatment (extras/ancillary) benefits and unexpected hospital policy exclusions and restrictions, typically about the amount paid for the service or timeliness in processing claims.’³

Membership complaints were related mainly to cancellation and delays in processing cancellation requests.⁴

Similarly, complaints regarding service were a combination of poor customer service, inadequate or delayed responses and poor internal escalation processes and unclear information.⁵

This data again reinforces the importance of clear and concise language and effective and efficient administration processes.

COVID-19

192 complaints and 41 enquiries related to COVID-19 were received by the Office of the Commonwealth Ombudsman during 2020-21⁶, compared to 212 complaints and 43 enquiries received from February 2020 to June 2020.⁷

As advised in the 2020-2021 Annual Report, the majority of health funds postponed their 1 April 2020 premium increases to 1 October 2020, with a number of health funds also offering financial relief to people who lost their jobs, were underemployed or were facing financial hardship. However, from 1 April 2021, the majority of health funds commenced premium increases.⁸

Enquiries received via the code@pha.org.au email

In the past 12 months queries were received:

1. from signatories seeking clarification regarding Version 8 of the Code;
2. from a consumer, regarding notice and a change to the Extras Policy;
3. from a consumer, regarding discounts on an annual policy for a continual period of time; and
4. from a member of the public, seeking Code of Conduct Annual Reports for the past four years.

Two emails were also received that did not request any information or contain information that was viable for the Committee.

Responses were sent to the authors providing guidance and further information regarding Version 8 of the Code, notice period information, the limit on the extent of discounts, information regarding the Office of the Commonwealth Ombudsman and the Code of Conduct Compliance Committee Annual Report.

3. 2021 State of the Health Funds Report
 4. 2021 State of the Health Funds Report
 5. 2021 State of the Health Funds Report
 6. 2021 State of the Health Funds Report
 7. 2021 State of the Health Funds Report
 8. 2021 State of the Health Funds Report

