



Press Release

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CHOICE stunt poorly researched and ignores the facts

CHOICE has once again demonstrated it has become nothing more than an activist organisation promoting its own ideologies instead of communicating the facts to consumers.

CEO of Private Healthcare Australia, Dr Rachel David said health funds were one of the first sectors to offer support to their members during the COVID-19 pandemic. In the first week of lockdown genuine financial support was offered to tens of thousands of Australians in the form of hardship packages.

All health fund members have needed to do to get information on hardship packages and financial relief is to call their health fund.

Today's "investigation" by CHOICE of health funds' response to COVID-19 is poorly researched. CHOICE has long campaigned against private health in Australia which is a vital part of our world-class healthcare system that supports 13.6 million Australians access timely and efficient care, leaving the public system for those who need it most.

Since March 2020, health funds have approved \$107 million in financial hardship applications on behalf of members. Nearly 100,000 applications were approved, and health funds will continue to assist more Australian families and members as the pandemic and economic fallout continues. The hardship provisions include waiving premiums and other benefits which allow members to remain covered under their policy. This is in addition to postponing the 1 April premium increase for six months, which delivered \$400 million in premium relief.

Health funds are also giving members access to new services during COVID-19, including telehealth for some allied services, treatment in the home (such as chemotherapy) and access to mental health and well-being programs in addition to the usual funding of in-hospital mental health treatment.

During COVID-19 health funds continued to cover emergency surgery and some category 2 elective surgeries. The government's ban on elective surgery lasted only six weeks – much shorter than originally anticipated.

"As the government's ban on elective (essential non-emergency) surgery lasted only six weeks, the savings predicted by some have not eventuated for health funds. However, the full and accurate picture will be known in a few months' time when APRA claims data is released. It is at this point, that health funds will evaluate their financial position in line with regulatory capital requirements and consider if savings need to be returned to members or if no savings eventuated as a result of COVID-19.

"It's time for CHOICE to stop its activist campaign against Australian businesses doing the right thing by consumers during this challenging time, for the good of our economy and healthcare system," said Dr David.

Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 24 Australian health funds with a combined membership of over 13 million Australians, or 97% of the sector on membership.

Media contact: Jen Eddy 0439 240 755