



Press Release

25 June 2020

Health funds keep their promise to members impacted by COVID-19

The commitment made by Australian health funds not to profit from the COVID-19 restriction remains. There has been no change.

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.

Private Healthcare Australia Chief Executive Dr Rachel David said Australia's 13.6 million health fund members can be assured that funds are already giving back to members in various ways including but not limited to, premium relief, access to telehealth services and the rollover of extras benefits until next calendar year. All health funds postponed the April 1 premium increase by six months.

"APRA data will be released in a few months' time and that will show the true impact of restrictions on the financial position of health funds. In the meantime, the funds continue to introduce new initiatives to support their members. They have invested millions of dollars in COVID-19 support programs, focusing on members' mental health and wellbeing. In addition to funding psychology telehealth and in-hospital mental health treatment, many funds have online mental health and wellbeing services their members can access.

"Once again CHOICE has let its ideological position and bias get in the way of facts. Australia's mixed public/private healthcare model is one of the best in the world. The constant criticism of the private health industry by CHOICE uses falsehoods to scare consumers out of a vital part of our healthcare system that millions of Australians rely on for access to safe, efficient and timely care.

"The government's ban on elective surgery lasted six weeks. During this time, health funds continued to cover emergency surgery, some category 2 procedures and telehealth. Now that all the restrictions have been removed, we are funding the backlog of surgeries that couldn't be performed during this time. Members still receive value from their cover as they have access to timely care in the private system with a doctor of their choice. This compares to the public system that has an up to two year wait period for elective surgery.

"There has been no six month shut down of elective surgery as predicted by some and both elective surgery and allied health consultations have resumed well ahead of the expected time frame thanks to the Government's effective COVID-19 strategy."

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