



## Press Release

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### **Health funds strongly support plan to reduce medical gap fees for consumers.**

Private Healthcare Australia Chief Executive Dr Rachel David says the Opposition's proposal to establish a national standard for informed financial consent is a positive step towards reducing out-of-pocket costs, and allowing consumers to take greater control of their specialist care.

"Health funds have long been advocating for more transparency on behalf of their members who incur out-of-pocket costs when they see a medical specialist as an outpatient. Private health insurance cannot cover these expenses under Australian law if a Medicare benefit is also paid. A gap can also occur when providers charge unethical fees, such as booking fees," Dr David said.

The Opposition's \$10 million plan to establish a ministerial working group to develop the national standard to ensure patients are fully informed about costs ahead of their procedures will give consumers certainty when they needed it most.

"Gap fees are driving dissatisfaction with health funds who have limited control over what a medical specialist charges. While the majority of medical specialists charge acceptable fees and treat their patients with respect by providing advice about costs in advance, it is the small minority generating discontent.

"Research shows that when consumers are in control of their circumstances, that is, they can choose their specialist, and are fully informed about gap charges and any other additional fees, they are more satisfied with their care, and less likely to drop their private health insurance and become dependent on the already over stretched public hospital system.

"It is a known fact that there is no correlation between cost and quality when it comes to medical treatment."

Dr David said consumers should expect an upfront quote for hospital care which includes any extras for the anaesthetist or surgical assistant.

- The first step is to talk to your GP about getting a referral to a specialist that doesn't charge a gap.
- Talk to your health fund about what you're covered for and no-gap providers in your area.
- Ensure you get a quote from your specialist up front. If there are unexplained charges on your bill such as booking fees, don't pay it until you have received a valid explanation.

*Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 20 Australian health funds with a combined membership of 12.9 million Australians, or 96% of the sector on membership. Promoting the value of private health insurance to consumers in the Australian economy and keeping premiums affordable for our members is the number one priority of PHA members.*

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