## Media Release

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## Health insurers working with natural therapists to develop accreditation and claims framework

Health funds have welcomed a legislative change today that will allow rebates to be paid for a range of natural therapies clinical treatments.

Private health insurers are working with industry associations to create accreditation, claims and other required processes to support the change. With the assistance of professional associations, we are expecting these processes to be in place in early 2026.

The legislative change allows health funds to provide rebates for health treatments incorporating Yoga, Pilates, Tai chi, Shiatsu, Naturopathy, Western herbal medicine and the Alexander Technique, should funds decide to cover them. But the therapies can only be covered for the treatment of health conditions or under a health management program rather than just for fitness.

The treatments were among 16 natural therapies excluded from private health insurance benefits by the previous government in 2019. But an <u>independent review of their effectiveness</u>, completed in 2024, was satisfied there was enough evidence that seven of the 16 were likely to be clinically effective, so they were recommended for reinclusion under health fund rules.

The most important step is ensuring providers meet credentialing requirements in the absence of existing regulatory frameworks. For example, anyone can call themselves a yoga teacher without having formal qualifications, so professional associations will need to develop accreditation processes that health funds can use to assure provider training, safety and continuing education.

Guidelines also need to be developed around regulatory obligations, such as referral pathways and ensuring the services meet the definition of treatment in the legislation. An industry schedule of items will be developed to ensure recognised providers meet the health fund rules and to outline how health fund members can claim rebates.

Private Healthcare Australia CEO Dr Rachel David said health insurers had lobbied the Government for years to allow health funds to decide whether they wanted to cover natural therapies.

"Since 2019, we have been arguing the funding of natural therapies should be left to the discretion of health funds given health insurers are capable of assessing the evidence and determining the market value of these therapies for their customers," Dr David said. "We are pleased the Government has returned seven natural therapies to the list of treatments health funds can subsidise.

"We are working proactively with professional associations to create a proper framework around how these treatments can be provided and rebated and are looking forward to continuing this work to ensure professional associations provide the necessary accreditation processes for providers."

She said once the required measures were in place, it would be up to each health fund to decide whether it would cover the treatments.

Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 22 Australian health funds. 15 million Australians (55% of the population) have private health insurance.