



Press Release

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“Never Events” Policy Leads to Better Quality & Safety

An agreement between a private hospital group and major health fund to forgo payments for so called “never events” is a major step towards improving health outcomes for all Australians.

The CEO of the Private Health Insurance Industry’s peak body, Dr Michael Armitage says Private Healthcare Australia has been advocating non-payment for “never events” for many years in the hope that both the private and public health sectors would adopt the policy.

Private Healthcare Australia brought the Medical Director of the New York State Department of Health, Dr Foster Gesten, to Australia in 2010 to meet with Government and Industry representatives.

Dr Gesten was integral in developing the U.S. system of non-payment for “never events” which includes events such as surgery being performed on the wrong part of the body or on the wrong person.

“It takes time to introduce major change in any system and while Australia has one of the best health systems in the world, we can always be better,” said Dr Armitage.

“Everyone involved in the healthcare industry should question why patients should be financially responsible for what we call “never events” – for example, a patient should never be transfused with incompatible blood; should never have the wrong leg operated on and should never require return surgery to remove a surgical instrument.

“Private Health Insurers are not interested in becoming involved in clinical decisions, but they do want their members to have the best possible treatment in a safe environment. If medical practitioners follow the latest Clinical Guidelines there should no concerns.

“The New York experience shows that once a ‘never events’ policy is introduced, hospitals and doctors are keen to make sure they never occur and this improves health outcomes, safety and quality and leads to lower costs for everyone,” said Dr Armitage.

Media contact: Jen Eddy 02 62021000