



Press Release

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No Link Between High Priced Surgery and Quality

Private Healthcare Australia's CEO Dr Rachel David says the majority of medical specialists in Australia try to the right things by their patients, but she has advised consumers to ask for quotes up front in advance of surgery.

Responding to media reports about excessive out-of-pocket costs, Dr David said most specialists are aware that patients are in a vulnerable position when discussing the potential costs of treatment, but there are exceptions.

"Many patients are able to have their treatment with no gap or a known gap, but it pays to be prepared well in advance of surgery," she said.

Patients who are concerned about high co-payments need to do the following things if they have been told they need a medical procedure:

1. Talk to your GP. Your GP needs to be aware costs are a concern, so they can help you find a low-charging specialist;
2. Talk to your health fund. Most health funds have websites and other tools available, which list specialists covered by their GapCover schemes, who charge either no gap, or a known gap;
3. When you have consulted a specialist about treatment, ask for a quote up-front which contains all likely out-of-pocket costs, including the anaesthetist, surgical assistant and diagnostic tests;
4. After surgery, if you have had complications or there are unexplained charges on the bill, do not pay it until there has been an explanation from your doctor (not a receptionist or practice manager). If you do not get this, a patient advocate may be able to help. In some circumstances patients may not be liable to pay for complications which have occurred;
5. For people living in some areas where doctors traditionally have charged high gaps, particularly in wealthier neighbourhoods, they may need to travel outside of their immediate area to access cheaper options.

"Importantly patients should be aware that there is absolutely no correlation between higher priced surgery and quality.

"Health funds do their best to cover the gap for most surgical procedures, but they are unable to chase fees which continue to escalate above inflation, without causing premiums to go up for everyone. Transparency around fees and charges is critical for the sustainability of the private health system, which provides over two thirds of elective surgery in Australia," said Dr David.

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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