

Media Release

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Private Healthcare Australia
Better Cover. Better Access. Better Care.

No room for fraud or waste in Australia's healthcare system

Australian health funds have welcomed the Albanese Government's commitment to stamping out fraud and inappropriate billing in the health care system.

Private Healthcare Australia CEO Dr Rachel David said the Government commissioned independent review into Medicare Compliance and Integrity was timely and long overdue.

"The Government acted swiftly to commission the review following media reports exposing the extent of rorting in the Medicare system. This is exactly the sort of action we need to get our health system back on track.

"At a time when cost of living pressure is escalating and many Australian families are struggling with interest rates and inflation, it's not ok for any amount of taxpayers' money to be squandered through fraud, waste or abuse of the system.

"While the majority of healthcare practitioners are doing the right thing, some are gaming the system, with the review finding that Medicare is haemorrhaging at least \$3 billion a year in waste.

"Furthermore, it is clear it is not only doctors who are at fault. Business models have been created to specifically take advantage of the cash flows generated by the Medicare Benefits Schedule (MBS) in ways that lead directly to fraud and low value care.

"The MBS is a complex and high cost program that requires sophisticated stewardship 24/7. Failure to manage this rapidly causes pressure on the Commonwealth Budget, increases to private health insurance premiums, and can lead to potentially unsafe outcomes for patients.

"There's no room for fraud or inappropriate billing in our health system - every dollar should be spent ensuring better health outcomes for Australian consumers.

"PHA is committed to working with the Government to implement the recommendations of the review, to stamp out fraud and protect our world-class health system. "

Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 23 Australian health funds with a combined membership of over 13 million Australians, or 97% of the sector on membership.

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