



Press Release

28 August 2013

Private Health Insurance Policies

Today's Treasurers' Debate has given 12.5 million Australians an insight into the major political parties' plans for the Private Health Insurance Rebate.

Private Healthcare Australia CEO, Dr Michael Armitage, said many privately insured Australians were not wealthy and for them, the Rebate is the only form of Government assistance they receive.

"Of the 12.5 million privately insured Australians, ATO and Bureau of Statistics figures show that 5.6 million have an annual household income less than \$50,000.

"The future of the Private Health Insurance Rebate is an issue which affects every Australian requiring health care. We have one of the best health systems in the world and maintaining the balance between private and public healthcare is crucial."

In response to a question about the future of the Private Health Insurance Rebate:

Shadow Treasurer Joe Hockey said:

"Now, the thing about private health insurance is it's lower income people that work really hard to hang onto their private health insurance, because it gives them choice and it gives them a sense of security about their healthcare. And they've been punished by a lot of changes that Labor had made.

Now we can't reverse them overnight. We're being honest about it. We can't reverse that overnight, but I think it is right and proper that Tony Abbott give the vision, give the direction that we want to head so that we can have a viable private health insurance system..."

Treasurer Chris Bowen said:

"At the campaign launch Mr Abbott confirmed they would reverse our changes to private health insurance which was the fastest growing expenditure part of the Federal Budget. It had to be brought under control....a tough decision which needed to be done and it goes to show the fiscal profligacy of the Opposition."

Private Healthcare Australia has maintained that means-testing the 30% Rebate would force people out of the private system and into the public sector; that it would increase pressure on the public hospital system; and force premiums to increase, disadvantaging lower income earners who remain in private health insurance.

The latest figures collected by Private Healthcare Australia show that the number of people downgrading or dropping their private health cover has doubled since these changes were announced.

Contact: Jen Eddy 02 62021000