



PRIVATE HEALTHCARE AUSTRALIA SUPPORTS GOVERNMENT COMMITMENT TO PHI SUSTAINABILITY

Australia's health funds have welcomed the Coalition Government's commitment to reform medical device pricing and make health insurance more accessible and affordable for Australians.

Private Healthcare Australia Chief Executive, Dr Rachel David said the Coalition's plan supported health funds to deliver transparency and comparability across the industry to make it easier for Australians to choose and use their health insurance.

"Health funds have committed to invest considerable time, money and effort into facilitating an industry-led solution to make it easier for Australians to choose their health insurance, through using common clinical terminology, and clear information to enable our members to better navigate the private health system. We therefore welcome the Government's announcement which backs this strategy, and confirms the Coalition's support for private health," said Dr David.

"The industry is committed to a process to help consumers more easily navigate the private health system, and choose the health insurance product that is most value for them, depending on their life stage and financial circumstances."

"Most importantly, the government has reaffirmed its commitment to reforming the Prostheses Listing Advisory Committee (PLAC) and this must be followed with action to deflate regulated medical device benefits in line with real market prices. Current regulations force health funds to pay benefits for medical devices 2-5 times higher than the price charged for the same device to public patients, and in equivalent countries around the world. This puts direct upward pressure on health fund premiums."

"Health funds have given a rock solid commitment to pass on savings from this reform to their members, but they can't do it alone. The Federal Government has to provide a level playing field. Health funds will work closely with the incoming government to ensure the sustainability of the industry and funds will continue to introduce efficiencies to keep their internal costs down."

"More than 13 million Australians rely on private health insurance for security and peace of mind, so they can access healthcare when and where they need it. Premium affordability is the major issue for health fund members. Half of all Australians with PHI have an annual income of less than \$50,000. They are not wealthy."

"The goals of long-term sustainability for private health, and affordability and transparency for consumers must be priorities for both the industry and Government. Keeping private health insurance sustainable and premiums affordable ultimately benefits all Australians by keeping pressure off the public hospital system," said Dr David.

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