



## Press Release

21 November 2016

### Statement from Dr Rachel David – Response to Grattan Institute Report *Age of Entitlement*

The private health insurance rebate assists older Australians to manage their healthcare and helps keep pressure off the public hospital system.

The Grattan Institute Report, *Age of Entitlement*, fails to consider the impact on our public health system of “*reducing the private health insurance rebate so that seniors get the same rebate as younger Australians.*”

The fact is that most people over the age of 55 and certainly over 65 years of age when the seniors rebate is introduced are on fixed incomes with flat growth. To expect these older Australians to keep up with health inflation which is close to 6% is an unfair impost and retrospective.

Every Australian who drops out of health cover will be dependent on the public system for their health care and older Australians are more likely to present to a public hospital under these circumstances. This would add significant pressure to system that is already under strain.

More than 13.5 million people have private health insurance; half of them have an annual income of less than \$50,000 and are not wealthy.

The costs of healthcare in Australia are increasing across the board as a result of our ageing population, growth in chronic disease, advances in medical technology and higher charges by healthcare providers.

Accessibility and affordability of healthcare are crucial issues for ageing Australians who depend on their health cover for medical care and peace of mind.