



Total PHI membership hits record numbers

Private Health Insurance reforms have had a positive impact on PHI membership with the latest APRA figures showing an extra 50,000 Australians have taken out health cover in the 12 months ending March 2018. There is now a record 13.58 million Australians with either hospital cover, extras or both.

Private Healthcare Australia CEO Dr Rachel David said APRA's data corrects a flawed Roy Morgan survey that claimed 250,000 people chose to drop PHI over the past year.

"This assessment is far from the truth. In fact more Australians than ever currently hold PHI. What people say they might do and what they actually do can be quite different and our research has repeatedly shown than 80% of people with PHI value it and want to keep it", said Dr David.

"Of course members are concerned about rising premiums and out-of-pocket medical costs but they also understand that premiums are rising because the funds are paying for more healthcare. The only way to reduce premiums meaningfully is to reduce wasteful input costs.

"The Government has made a start by implementing long-awaited reductions in inflated medical device benefits and this year the average premium increase of 3.95% was the lowest in 17 years.

"There is more to be done and we are working with the government and stakeholders to improve affordability by addressing issues such as cost-shifting from the public sector, low-value and wasteful care, fraud and compliance issues with the MBS.

"In addition the Government has an expert committee working on a transparency-based solution to out-of-pocket costs, so GPs can assist patients to find an appropriately qualified low-charging specialist."

APRA figures for the 12 months ending March 2018 show a decrease of 36,745 people with hospital cover, however the March quarter saw an increase of 10,481 insured persons. 45.5% of the population currently has hospital cover.

There was an increase of 52,980 people with general treatment (extras) cover in the 12 months ending March 2018, with an increase in the March quarter alone of 46,792 people.

Total health fund coverage was up by 54,052 people in the 12 months ending March 2018 with an increase of 47,176 over the last quarter.

Health funds have reached another milestone this year, paying a record \$20.1 billion in PHI claims, an increase of 3% on the same period last year.

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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