

Turnbull Budget delivers safety and quality in healthcare

The Turnbull Government's 2018-19 PHI Budget measures demonstrate its commitment to making quality healthcare more accessible and affordable for all Australians.

The Government's response to taskforce recommendations from the Medicare Benefits Schedule Review will ensure best clinical practice and save \$189.7 million over three years.

PHA Chief Executive Dr Rachel David said the review was delivering evidence-based healthcare in Australia, better health outcomes for patients and value for consumers.

"The PHI industry has long supported this clinician-led review as every dollar of waste and every episode of inappropriate practice threatens the sustainability of private health. Eliminating as much low-value care as possible is a crucial measure in the challenge to improve affordability and keep downward pressure on premiums.

"There is only one reason premiums increase and that is because health funds are paying for more healthcare. The only way to put downward pressure on premiums as utilisation goes up is to address wasteful input costs – fraud, over servicing, inflated prices for medical devices, low value care.

"Health funds want to ensure their members are getting value for money and to reassure them their premiums are not being spent on low value treatment. Under legislation health funds are obliged to pay for medical treatments covered by the MBS. Reducing payments for procedures that aren't effective ensures both health fund members and taxpayers' funds are being used appropriately.

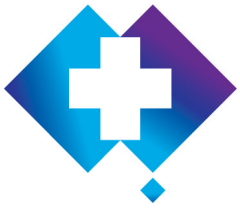
"The impact of the MBS Review will be enhanced by the Government's new Medicare compliance measures establishing a robust mechanism to manage compliance in the MBS program, and to ensure services are provided appropriately.

"These measures will better target investigations into fraud, inappropriate practice and incorrect claiming using data analytics and behavioral driven approaches to compliance."

"Eliminating improper and fraudulent claims could deliver savings of more than \$1 billion to the Government and to private health consumers through lower premiums.

"Appropriate data sharing to improve MBS and health fund claim compliance, as well as measures to reduce or eliminate low-value care have the potential to save 2-3% in each treatment modality for which benefits are paid.

"Health funds will continue to work closely with the Government to ensure the sustainability of the PHI industry. PHI pays for close to two thirds of non-emergency surgery in Australia including 86% of retinal procedures, 70% of day admissions for mental health care, 60% of all joint replacements, 56% of major procedures for malignant breast disorders, and 50% of all mental health care (*Source: AIHW 2017*)



Private Healthcare Australia
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Press Release

“More than 13.5 million Australians rely on private health insurance for security and peace of mind, so they can access healthcare when and where they need it, however premium affordability is their major concern. Almost half of them have an annual income of less than \$50,000.

“Over 80% of people believe that they get value for money from their private health insurance and cite peace of mind, choice of specialist for continuity of care, choice of hospital, and timing of medical treatment as the main reasons. Keeping health insurance affordable benefits all Australians by keeping the pressure off the public hospital system,” said Dr David.

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.

Media contact: Jen Eddy 0439240755