

Press Release

12 September 2013

Same Treatment – Different Price

Privately insured Australians should ask for details of all medical charges before proceeding with elective surgery.

Private Healthcare Australia Chief Executive, Dr Michael Armitage said Informed Financial Consent (whereby patients receive information on any gap payments) was crucial for patients to manage their health care costs.

Dr Armitage said data collected by PHA showed a huge variance in the costs of the same procedure in hospitals across Australia.

“For example, the graph below shows the cost for same day colonoscopies in one State in Australia, including the average cost, \$1,450. (Government legislation prohibits PHA from identifying the hospitals).

“The cost of a same day colonoscopy ranges from approximately \$1,200 to over \$1,900. This is a 55% increase from the lowest cost to the highest cost for exactly the same procedure.

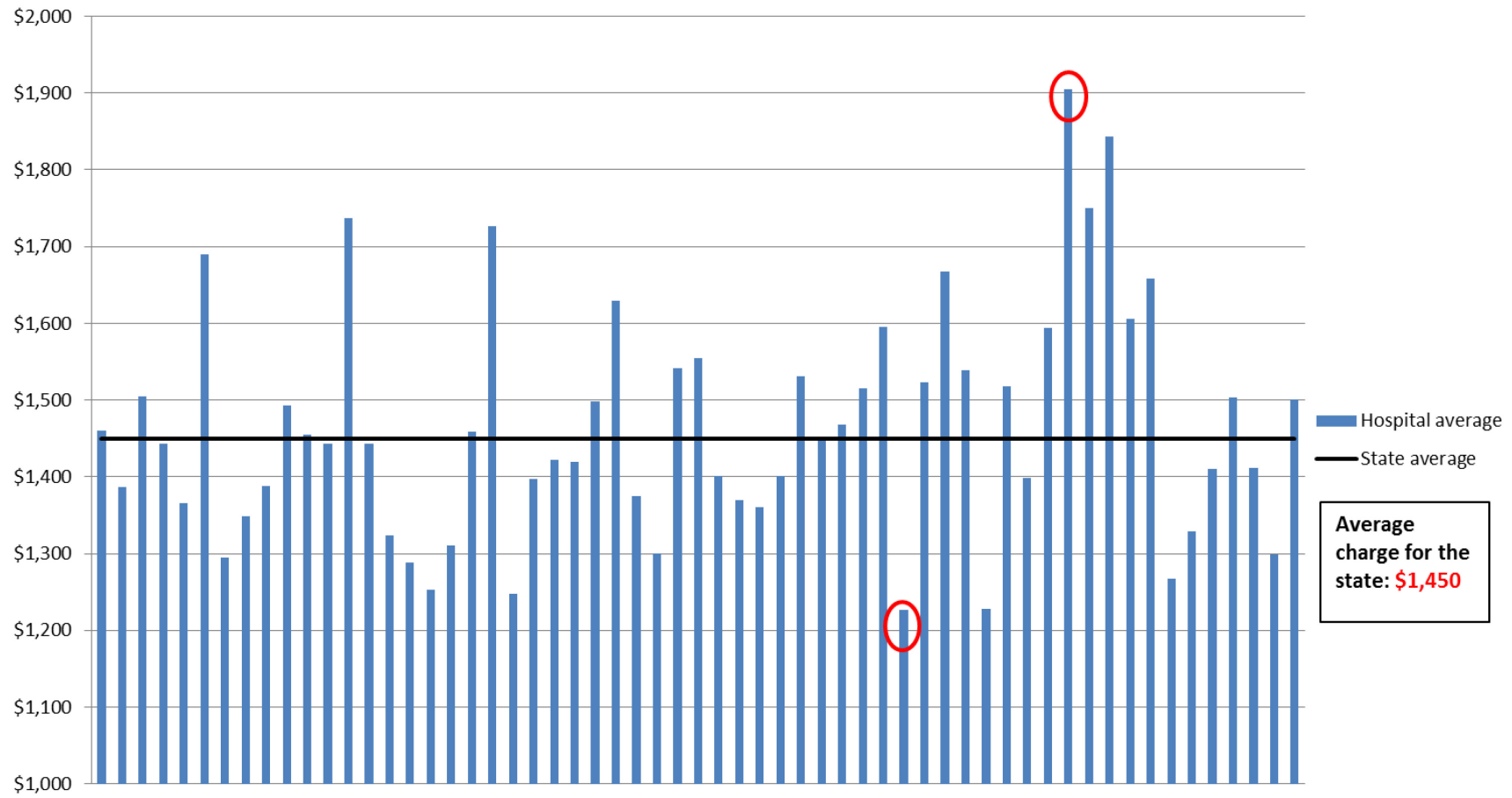
“These price differences can result in huge gap payments for consumers, which are often unexpected.

“If you are about to have a medical procedure and your Doctor charges above the Medicare Scheduled fee, then you have the right to know what the gap will be.

“Informed Financial Consent is a simple procedure whereby your Doctor supplies you with the billing information and you then contact your health fund and give them the information. They will tell you what the gap payment, if any, will be.”



Average charge per separation for same-day colonoscopy in selected private hospitals performing more than 100 procedures in 2011-12



Each blue bar represents one hospital