

MEDIA RELEASE:

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Australia has a world leading health system thanks to the mix of public and private

The Grattan Institute's latest assessment of Australia's private health insurance sector is alarmist and wrongly dismisses the vital contribution it makes to the country's world leading healthcare system, says Members Health, the peak body for 25 of not-for-profit funds.

Matthew Koce, CEO of the alliance of Members Health funds said the Grattan Institute's latest report on private health insurance fails to recognise the importance of helping consumers take personal responsibility and control of their healthcare. A grab bag of alarmist negativity, the report fails to provide any innovative ideas or solutions.

"It appears that the Grattan Institute wants to take Australia back to a 1950s nationalised style health system in which consumers are disempowered and have no choice but to rely on a monopolistic government health system," Mr Koce said.

"This sort of backwards and ideological driven thinking detracts from constructive debate about how our unique and world-leading health system can be improved to benefit all Australians by providing them with empowered choice."

"The last thing anyone would want is to push Australia towards a nationalised style of health system like that in the UK. A system where consumers have no choice but to sit for years on long waiting lists, have little control over their treatment, no choice of doctor and where taxpayers foot the entire bill for the ever-escalating demand for health care."

Australia's private health system is more efficient, provides consumers with choice, helps them to avoid ever-widening elective surgery waiting lists, and takes vital pressure off the public system. It also helps drive innovation and benefits the public system by providing competitive tension.

"Private health not only guarantees people fast access to high quality care, when it is needed, it also takes pressure off the already stretched public health system and has a proven track record of innovation in health care," Mr Koce said.

"Two thirds of all elective procedures are performed in private hospitals, meaning even a marginal decline in the number of people with private health insurance could have overwhelming consequences for the country's already overstretched public system."

"Public hospital wait times stretched to more than 12 months for some elective surgeries; there are staff and bed shortages; patients don't have choice of doctor with many being treated by junior doctors and all this comes despite federal government funding to States continuing to rise at more than double CPI."

"The important role that private health insurance plays in Australia's health system cannot be overstated. We need more innovative ideas, not backward looking philosophical fearmongering that wrongly undermines confidence in our world-leading and unique health system," Mr Koce said.

"The Government and the Private Health Ministerial Advisory Committee have made significant progress on key areas of reform to make the private system even better. That has included cuts to excessive prostheses pricing, new simplified health insurance product categories and youth discounts, making the system work better for the consumer."

Putting members' health before profit

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Members Health is the peak national body for 25 health insurers, which are not-for-profit, member owned and community based. In all, the Members Health funds provide private health insurance to over 2 million Australians.

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