

### **ACCC report on Private Health Insurance released – hirmaa welcomes calls for greater transparency on the costs of medical practitioner services**

hirmaa, the peak-body representing eighteen member-owned and community-based private health insurers has welcomed the Australian Competition and Consumer Commission's (ACCC) latest Private Health Insurance Report.

The report, released today, highlights calls for increased transparency over the costs associated with specialist medical practitioner services.

It states that while two thirds of private health insurance customers are satisfied with their cover, almost all experience difficulty determining the appropriate level of cover or out-of-pocket expenses before committing to a policy.

The recommendation to develop tools that assist customers to calculate out-of-pocket expenses by providing individual health practitioner cost estimates and rates for MBS procedures will provide greater value and confidence for consumers.

In its submission to the ACCC 2013-14 Private Health Insurance Report, hirmaa called for better transparency around cost estimates and charges for specialist medical practitioners.

"Insurers work hard to sign 'no gap' and 'known gap' agreements with providers, but there can still be a lot of ambiguity associated with specialist medical practitioners, which can result in 'bill shock' for members", hirmaa CEO Matthew Koce said.

"The call for greater transparency is a positive step towards keeping private health insurance customers fully informed of their choice of provider and eliminating 'bill shock'."

Mr Koce added that improving transparency will undoubtedly strengthen consumer confidence in the private health sector as a whole.

"Making sure that customers have the least amount of surprises when it comes to looking after their health is vital to strengthening confidence in the private health system."

While consumer satisfaction was reported at about two thirds by the ACCC, the rate among hirmaa funds is notably higher.

A consumer survey of more than 17,000 members of hirmaa health funds showed that 97 per cent of people were satisfied with the information provided by their insurer, and 86 per cent reported their fund as being good value for money.

Almost 90 per cent of respondents stated that they had a good understanding of their cover and how it works.

*hirmaa is the peak industry body for eighteen private health insurers which are member-owned and not-for-profit. In all, the hirmaa funds provide private health insurance for over one million Australians.*

A complete list of hirmaa funds is available at [http://hirmaa.com.au/member\\_funds](http://hirmaa.com.au/member_funds).

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