

MEDIA RELEASE

hirmaa funds show focus and care delivering for members

The customer centric ethos of not-for-profit and member owned health funds has again been highlighted in the latest Private Health Insurance Ombudsman (PHIO) Quarterly Bulletin.

This Bulletin shows that over the January to March quarter hirmaa funds, which comprise approximately 9.5% of the private health insurance market, accounted for only 4.7% of all complaints.

In comparison, the 'big' three for-profit private funds, Medibank Private, Bupa and NIB, which comprise approximately 63.3% of the private health insurance market, accounted for 71.2% of all complaints and 76.8% of the more serious level 3 complaints.

Matthew Koce, CEO of hirmaa, the peak body for 19 not-for-profit, member owned and community based health funds, has urged Australian consumers look carefully at which health insurers have an established record of customer satisfaction.

“Consumers need to be aware that there is a stark contrast between the not-for-profit hirmaa health insurers and the rest of the industry.”

“Unlike the big for-profits, the smaller not-for-profit health insurance funds don't have to serve shareholders and are entirely focused on meeting the expectation of their members. That is why not-for-profit hirmaa funds consistently lead the industry when it comes to customer satisfaction and member retention” Mr Koce said.

Worryingly, the Ombudsman's bulletin also showed a significant increase in the overall number of complaints from the same time last year relating to cost.

“The significant increase in the number of complaints relating to cost is a clear signal that the government must act to restore the private health insurance rebate” Mr Koce said.

“The Australian Government has reduced the health insurance rebate from 30% to 26.8% since its introduction in 1999 and this is scheduled to reduce further to 25% in 2017.”

“The private health system takes enormous pressure off the public health system with over \$19B in benefits paid last year and private hospitals accounting for over 40% of all procedures.

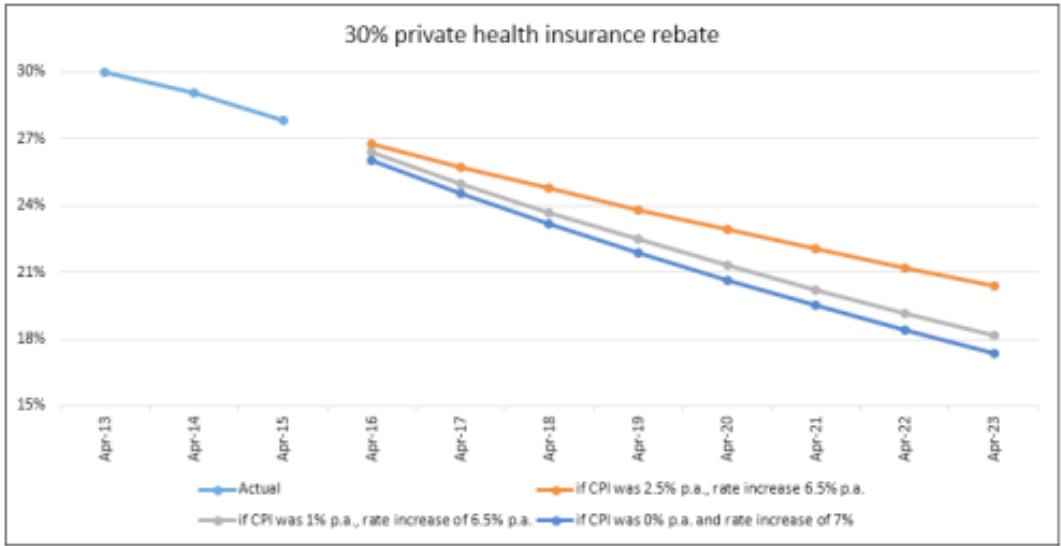
“If the declining private health insurance rebate causes even a small drop in those with private health insurance, it could result in devastating consequences for the already overstretched public hospital waiting lists and the Government finances.

hirmaa is the peak industry body for nineteen 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 copy of the latest Private Health Insurance Ombudsman (PHIO) Quarterly Bulletin can be found [here](#).

28 July, 2016

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Source: <http://austphi.tumblr.com/post/114734602079/reduction-in-phi-rebate-adds-to-premium-increase>