

MEDIA RELEASE:

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Members Health welcomes efforts to improve transparency and accountability

Australian consumers are set to benefit with an influential Senate report highlighting the role of transparency in promoting affordability within the health system.

Matthew Koce, CEO of Members Health, the peak body for 24 not-for-profit, member owned and community based health funds congratulated the Senates Community Affairs Committee for consulting widely and preparing a detailed report which highlights the importance of transparency across the health system.

“Members Health congratulates the Senate’s Community Affairs Committee for the delivery of a thorough report which will serve as a template for further consumer centric reform.”

“While some of the recommendations have already been addressed by the Minister for Health through his recently released recent reform package there are a number of new recommendations that have the potential to further improve the consumer experience.”

“The report recommends that a searchable database be developed to convey the fees of individual medical practitioners. Such a database will allow consumers to ‘shop around’ for medical specialists and will minimise the potential for ‘bill shock’, and would be a step in the right direction when it comes to improved transparency within the health service provider chain.”

Other recommendations, including further work on the growth of private patients in public hospitals, the requirement that intermediaries disclose commissions, and the extension of the Broader Health Cover provisions of the *Private Health Insurance Act 2007*, all have potential to deliver big improvements for patients and consumers.

“The Senate report follows significant reform undertaken by the Minister for Health, Greg Hunt, to reduce the cost of prostheses devices, simplify private health for consumers, improve access to mental health services and provide discounts to younger policy holders.”

“Members Health welcomes the fact that the reform package led by Minister Hunt has been designed with the intention of improving the value and affordability of private health.”

“We believe that the announced savings to prostheses alone will save consumers around \$34 per hospital policy in just the first year. This is a good start with there being opportunities for further price cuts to prostheses items that will deliver around \$130 in savings per year per policy.”

“The Members Health funds are all not-for-profit, member owned and community based, they only exist to serve policyholders so welcome any reform that will improve outcomes for consumers.”

Independent research recently undertaken by Discovery Research of 15,100 Members Health fund policyholders found that a massive 97% of respondents were satisfied with their membership.

“The high levels of satisfaction among Member Health fund policy holders is not surprising given that Members Health funds operate on very narrow margins and return around 90 cents in every dollar paid in premiums back to the policyholder as benefits. They put members health before profit.”

Putting members’ health before profit

A. 601 Canterbury Road, Surrey Hills, VIC 3127 P. PO Box 172, Box Hill, VIC 3128

T. (03) 8831 3372 E. info@membershealth.com.au W. membershealth.com.au ABN. 43 358 871 550

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“The fact that Members Health funds do not have to pay shareholders means that they can focus entirely on the needs of their policyholders. Perhaps this explains why Members Health funds, as a group, are growing around four times faster than the industry average.”

Members Health is the peak industry body for 24 health insurers which are not-for-profit, member-owned and community based. In all, the Members Health funds provide private health insurance to over 1.7 million Australians.

Further enquires:

Matthew Malone
Director of Policy, Industry and Government Relations
(03) 8831 3372

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