

MEDIA RELEASE:

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Private health insurance premium change at a historic 21-year low

The health insurance industry has again delivered a record low average annual premium change.

Matthew Koce, CEO of Members Health, welcomed Health Minister Greg Hunt's announcement of a 2.7 per cent average premium increase, the lowest in 21 years.

"The lowest premium change in more than two decades is a phenomenal achievement," Mr Koce said.

"This is the eighth consecutive year that insurers have delivered record low premium increases. Reforms designed to make private health insurance more affordable, simpler to understand and attractive for all Australians are continuing to work."

Mr Koce said this year's figure continues the recent trend of lower and lower annual premium changes.

"We expect this trend to continue with the Government committed to delivering further reforms to reign in high prostheses prices, promised to commence in early 2022," he said.

"More than 14 million Australians now have health insurance cover – more than ever before. We want to see those numbers grow even further in 2022 so more Australians can have peace of mind around fast access to high quality care."

Access to private health insurance has never been more important for Australian families, Mr Koce added, with Government run public hospitals experiencing record long waiting lists as a result of COVID-19.

"Public hospital waits now extend well beyond a year and are expected to get much worse," he said.

"It is no wonder so many more people are turning to private health cover. Keeping premium increases low will improve affordability and accessibility to the private health system for millions of Australians.

"Private health not only assures fast access to high quality care with doctor of choice, it also reduces pressure on the overstretched public health system by freeing up beds for those that need them most. The private health system is much more efficient, so it also saves taxpayers lots of money while delivering outstanding care."

"Health funds – especially the not-for-profit and member owned insurers – are doing all they can to provide the best possible care for their members, deliver value for money and keep premiums affordable."

Members Health is the peak industry body for an alliance of 26 health funds that are not-for-profit or part of a member-owned group, regional or community based. They all share the common ethic of putting their members' health before profit. Our funds represent the interests of more than 4 million Australians.

Media Queries

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Putting members' health before profit

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Private Health Insurance Membership at Record High: Hospital Treatment and General Treatment

Source: APRA Private health insurance membership trends September 2021 (released 24 November 2021)

