

MEDIA RELEASE:

17.06.2026

Leaders unite to protect older Australians from rising health costs

Members Health Fund Alliance is participating in a powerful coalition spanning private health insurers, hospitals, doctors and organisations representing older Australians to urge the Prime Minister to reconsider proposed changes that would increase private health insurance costs for Australians aged 65 and over.

The united group has written to the Government warning the changes risk pushing older Australians out of private cover, placing unsustainable pressure on already stretched public hospitals and threatening the viability of private providers, particularly in regional communities.

Members Health CEO Matthew Koce said the breadth of the coalition underscores the seriousness of the issue.

“This is not just a private health insurance issue, it’s a system-wide concern shared across insurers, hospitals, clinicians and organisations representing older Australians.”

“This is the entire health sector and seniors speaking with one voice. These changes risk doing enormous harm to older Australians and the system they rely on.” Mr Koce said.

The letter warns the changes will disproportionately affect older Australians on modest incomes, with approximately 3 million Australians aged over 65 affected.

“The people most likely to feel the impact are those least able to absorb it. When premiums rise, older Australians don’t just pay more, they make tough choices. Too often, that will mean downgrading or dropping cover altogether,” Mr Koce said.

“If even a small proportion of older Australians leave private cover, the impact on public hospital demand will be immediate and severe,” Mr Koce said.

“We are talking about longer public hospital waiting lists, greater pressure on public hospital staff, and reduced access to timely public health care.”

“Older Australians are among the highest users of healthcare and are more likely to require hospital services. Any decline in health insurance participation will directly impact the sustainability of private providers and blow out waits for the public system.”

“This is particularly concerning in regional Australia, where fewer providers and lower incomes mean communities are less able to absorb additional pressure.”

Members Health supports calls in the letter for Government to undertake proper consultation and fully assess its impact before progressing to legislation.

“We support investment in aged care and recognise the need for Budget repair, but this policy risks creating unintended consequences. It takes money away from health, a number one concern and pressure for many Australians.” Mr Koce said.

“There is a real risk this becomes a false economy - reducing Commonwealth spending while increasing costs and pressure elsewhere in the system, particularly for state and territory governments.”

Members Health has launched a [dedicated webpage](#) explaining the proposed rebate changes.

The page outlines what is changing, who is affected, and brings together concerns from across the health sector, while highlighting what Australians can do - from contacting their MP to staying informed - and how Members Health is advocating on their behalf.

For more information on the proposed changes and what they may mean for you, visit: <https://membershealth.com.au/rebate/>

For coverage in The Australian visit [here](#).

Members Health is the nation peak body for an alliance of more than 20 health funds that are not-for-profit or part of a member-owned group, regional or community based. They all share the common ethos of putting their members' health before profit. Our funds represent the interests of more than 5.4 million Australians.

Media Contact

brenton.baldwin@membershealth.com.au

0409 517 176