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NEW RESEARCH CALLS ALBANESE GOVERNMENT'S PRIVATE HEALTH REBATE MODELLING INTO QUESTION

The number of Australians who say they would cancel their private health insurance under the Federal Government's proposed rebate cuts is more than eight times the level anticipated.

The Ipsos survey of more than 2,000 private health policyholders found that 12.1% of over 65s would cancel their cover tomorrow if the rebate reduction proceeds, compared to the around 1.6% estimated by the Albanese Government.

The findings come as the Federal Government reintroduces its private health insurance rebate reduction legislation unchanged, despite strong opposition among those who would be directly affected.

The independent Ipsos research was commissioned by Members Health Fund Alliance, the national peak body for not-for-profit and member-owned health funds. The survey also found if the policy passed over 65s would take action:

- **12.2%** would downgrade their cover
- **8.9%** would increase their excess or reduce benefits
- **11.3%** would switch insurers in search of lower-cost options

Taken together with the 12.1%, almost **half of over 65s indicated they would make changes to their private health insurance arrangements.**

More than half of respondents (53.5%) oppose the proposed rebate reduction, compared with just 19.4% who support it. Among Australians aged 65 and over, opposition rises to approximately four in five (81.1%).

Members Health CEO Matthew Koce said the findings cast serious doubts about whether the Government had properly understood the likely consequences of the policy for older Australians.

"When more than 80% of Australians aged 65 plus oppose it, Parliament is entitled to ask whether this policy is another one this government have got seriously wrong," Mr Koce said.

"This will hurt our most vulnerable in the community most likely to need healthcare. We are talking about grandparents who may be forced to give up cover because they can no longer afford it, leaving them more reliant on an already overwhelmed public health system.

"These are Australians who have done exactly what successive government have encouraged them to do. They have maintained private health insurance, paid their premiums and helped take pressure off public hospitals. Now, they are being asked to accept less support at precisely the stage of life when they are more likely to need healthcare."

Putting members' health before profit
A. 601 Canterbury Road, Surrey Hills, VIC 3127 **P.** PO Box 172, Box Hill, VIC 3128
E. info@membershealth.com.au **W.** membershealth.com.au ABN. 43 358 871 550

The survey also found **more than 40% of respondents would hold the Federal Government responsible for resulting increases in health insurance costs**, compared with around 21% who would attribute those increases to insurers.

“Representing more than 5.4 million Australians, Members Health exists to champion health funds that put health before profit. It’s important to us that the views of the Australians who took part in this research are taken seriously by government, particularly when they raise such fundamental questions about affordability and fairness,” Mr Koce said.

“As Australians approach Christmas with household budgets already stretched, the last thing they should be worrying about is whether they can continue to afford the health cover they have worked so hard to maintain. This is not the time to make private health insurance more expensive for all Australians.”

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Media contact: Laura Hicks via 0417 104 402 and laura.hicks@membershealth.com.au

Members Health is the peak industry body for an alliance of 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. Take two minutes out of your day and visit membershealth.com.au today to check if your health fund is not-for-profit or member-owned and consider choosing a fund that puts people first genuinely matters.

Talent available: 80-year-old pensioner Michael who is currently a member of Teachers Health and recently in hospital. Despite his recent health issues, he would unfortunately need to drop his cover if the rebate reduction goes ahead with changes expected from 1 April 2027.