

Private Health Insurers need to stop taking advantage of Australians

The Australian Dental Association awaits the recommendations of the Competition Policy Review. Dentists welcome competition, however, if it places the oral health of Australians at risk it is counterproductive and does more harm than good.

As the peak body representing dentists in Australia, the ADA believes the oral health of all Australians is at risk if the Government continues to allow the PHI industry to increase its dominance in the delivery of oral health care in Australia. This must be addressed by Government if necessary through reforms to competition policy.

Private Health Insurance (PHI) is subsidised by Australian taxpayers to the tune of **\$5.5 billion** a year and encouraged by powerful government policy which **ensures an ever growing number of policy holders** to the industry. The industry is in a dominant position in the oral health care market and with its expansion from funder of care to provider of care, it should be compelled to give back to the Australian people.

Data gathered by the ADA reveals that profits from general PHI policies, which include dental, continue to exceed payouts to policy holders. Over the last five years, the difference between PHI premiums received and payouts made to policy holders is in excess of **\$5.1 billion**. Where is this money going? Definitely not back to policy holders **whose premiums have increased** over the last 12 years at a rate well in excess of CPI.

The PHI industry continues to interfere with the private choices of Australians when it comes to their health care. **Improved choice in health services** is one of the major strategic goals of the Government in private health, yet the actions of PHI work against this.

When it comes to obtaining oral health care, the PHI industry **forces** policy holders, through their discriminatory rebate practices, to attend their corporate dental clinics or new contracted dentists. If policy holders don't or can't, they will not receive the same rebate for the same care. This applies to policy holders even if they are covered by the identical PHI policies. This is grossly **unfair**.

Further, the PHI industry seeks to **interfere** with the oral health care which policy holders receive from their dentists by dictating the nature of treatment received by the patient. Why should Australians who pay huge PHI premiums, not receive the oral health care that is recommended to them?

Continuity of care between a dentist who knows a patient and their medical history is recognised worldwide as best practice. The ADA is opposed to any steps which seek to interfere with this relationship. This affects the oral health of all Australians. **The dentist is best placed to advise Australians on their oral health care.**

If the current practices of the PHI industry continue, Australians face a future which includes:

- The end of the family dentist whose goal is the health, welfare and safety of their patients.
- Ever increasing PHI policy premiums and diminished returns to policy holders.
- Corporatised care in dentistry with profit the sole motivator.

ADA's submission to the Competition Policy Review is available online at www.ada.org.au.

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**Equity in timely access to dental care for Australians
by targeting vulnerable and underserved populations**