

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012

Question: E12-376

OUTCOME 9: Private Health

Topic: PRIVATE HEALTH INSURANCE - PRE-PAYMENTS

Type of Question: Hansard Page 117, 17 October 2012

Number of pages: 1

Senator: Senator Fierravanti-Wells

Question:

Treasury has estimated the impact of the pre-payment to be \$549 million. My question is: do you agree with Treasury that that is the impact?

Answer:

Treasury does not estimate that the impact of pre-payment was \$549 million. The Final Budget Outcome 2011-12 states:

“increases in personal benefits and grants payable for a number of Health programs (\$549 million), largely reflecting a higher than forecast number of policy prepayments by Private Health Insurance customers and higher than expected claims for Medicare services;”
(page 9)

Therefore, the Treasury estimate of \$549 million covers increases in a number of health programs, including, but not limited to, the Australian Government Rebate on private health insurance.