

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2015 - 2016, 21 October 2015

Ref No: SQ15-000713

OUTCOME: 6 - Private Health

Topic: Freeze of Indexation on Insurance Retention

Type of Question: Written Question on Notice

Senator: Di Natale, Richard

Question:

- a) What impact have you seen of freezing indexation on insurance retention?
- b) Have you done a cost benefit analysis of the impact of phi on relieving pressure in public health system?
- c) What has been the impact of phi penalties to inadvertent incidents such as at Calvary in phi in public hospitals?

Answer:

- a) The participation rates for private health insurance (PHI) have remained static at around 55 %.

The PHI participation rate for the last five years:

Total population participation general and hospital insurance	Jun 2011	Jun 2012	Jun 2013	Jun 2014	Jun 2015
	55.3%	54.2%	54.8%	55.4%	55.8%

- b) No.
- c) Contracts between insurers and private hospitals are commercial-in-confidence and the Commonwealth has no visibility of these agreements. However, the Department of Health is unaware of any negative impact to patients where an agreement is in place between a private hospital and a private health insurer.