

3 November 2006

Topic: Portability

Senator Murray asked:

Could I ask if you could on notice provide the committee with statistics of portability, consumer knowledge, switching and the sorts of things that you have just mentioned?

Answer:

Medibank Private can not provide statistics on membership switching as this is commercial-in-confidence.

Private health insurance members are rigorously protected when they wish to transfer between health funds through portability provisions enshrined in the National Health Act 1953 that protects their entitlements to benefits.

To assist consumers in making an informed decision when considering joining a fund or switching between funds there is information available from the Private Health Insurance Ombudsman (PHIO). This includes a report that compares and grades private health insurers on performance and services as well as individual health fund report cards.

In 2007, the PHIO will launch a product comparison website to allow consumers to compare all private health insurance products. All funds will be required to produce standard information statements that will be supplied to all health fund members and placed on the PHIO website.

Further, the private health insurance industry, through the Australian Health Insurance Association (AHIA), has developed a Common Clearance Certificate that allows consumers to transfer more easily between funds.