



**National
Liaison
Committee**

For International Students
In Australia Inc.

Committee Secretary
Senate Finance and Public Administration
Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra
ACT 2600

Dear Senate Finance and Public Administration Committee,

Submission to the Inquiry into the Medibank Private Sale Bill 2006

The National Liaison Committee for International students in Australia welcomes the opportunity to make a submission to the inquiry into the sale of Medibank Private.

The National Liaison Committee is the peak representative body for international students in Australia and represents approximately 330 thousand international students. The Australian Migration regulations require that all student visa holders hold current Overseas Student Health Cover (OSHC) while they are in Australia. Prior to 2001, this cover was only offered to international students by Medibank Private. Currently there are three other overseas student health cover providers. However, because Medibank Private was the only provider originally, they have remained the major provider in the market and provide cover to almost 50% of international students in Australia.

Overseas Student Health Cover is different from the normal cover that health insurance providers offer, it is also different from travel insurance and is treated differently by the Department of Health and Aged Care. For example, the OSHC premium is unlike other health products and services because it is subject to GST. To provide this cover, the registered health insurance companies must sign the Deed of Agreement between the Department of Health and Aged Care and the OSHC provider.

The level of cover provided under OSHC is based on the basic level of cover

that all Australian citizens and permanent residents are entitled to under the Australian Medicare system. The level of cover provided under 'extras' health insurance is not able to be provided by OSHC arrangements.

As a result of the inability to make changes to the items covered under OSHC, to remain competitive in the market, the OSHC providers are constantly improving the level of service, the types of other products they offer with their cover and the package deals that are offered in the OSHC cover.

Medibank Private has remained competitive over the last 5 years, since the deregulation of the OSHC market, and offers international students a high and personal level of service, which is important for international students in Australia.

The National Liaison Committee would like to request that in recommending whether the Medibank Private Sale Bill 2006 is passed, amended or blocked in the Australian Parliament, that the health, welfare and wellbeing of international students in Australia be considered by the Senate inquiry committee. International students in Australia are a very vulnerable section of the community, mainly because they are often young, have very limited support networks, often have no family in Australia and their health can very easily be neglected through poor access to facilities or support networks and lack of understanding of Australian systems and procedures.

The main concerns with the sale of Medibank Private of the National Liaison committee are:

1. The level of service that is currently provided to students is maintained if Medibank Private Limited becomes a profit organisation. This includes the support that is given to international students outside the actual cover such as reminders for renewal, fast distribution of membership cards, discounts/specials on membership premiums and 24 hour support services.
2. The number of face to face service counters distributed throughout Australia are not reduced following any ownership changes to Medibank Private Limited. The access for international students to face to face health cover claims and advice is extremely important. Students having the ability to find the Medibank Private office, make a claim or inquiry in a local shopping centre gives Medibank Private the advantage over other health insurance companies and also OSHC providers.

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The National Liaison Committee sincerely hopes that our concerns are taken into consideration when the Bill is reviewed and considered by the Committee.

Serving international students,

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