Australian Medical Association Limited
ABN 37 008 426 793

42 Macquarie Street, Barton ACT 2600: PO Box 6090, Kingston ACT 2604
Telephone: (02) 6270 5400 Facsimile (02) 6270 5499
Website: http://www.ama.com.au/

AMA

Transcript: AMA President Professor Brian Owler, Today, Channel 9, 17 March 2016

Subject: Private Health Insurance Report Card

LISA WILKINSON: Well, back home now, and private health insurers are set to increase their premiums once again on April the first. Today, the Australian Medical Association releases its first ever report card on private health insurance and the AMA's President, Professor Brian Owler, joins us now. Good morning to you, Professor.

BRIAN OWLER: Good morning, Lisa.

LISA WILKINSON: Can you tell us about this report card and how it's going to help Australian families?

BRIAN OWLER: Well, one of the biggest problems that we have is people turning up to our office with a particular problem. They think they've got coverage, and of course at the last minute they find out that they're not covered for that particular procedure or treatment, and that's a very difficult place for people to be in. So, what we've tried to do here is provide some information for patients or consumers so that they can look at their policies, see where they sit in terms of the type of cover that they have, and it allows them to make some comparisons, but also educates people about the issues of exclusions and other aspects of their policies as well.

LISA WILKINSON: And part of the problem with this price increase, continually, over the last few years, is so many people are opting out of private health insurance and going into the public system. So, what are some of the key things that people should watch out for when they're going to choose private health cover?

BRIAN OWLER: Well, many people take out private health insurance for tax purposes, but of course what it is there for is to provide coverage if the unexpected happens. So there are things called junk policies, which only cover people in a public hospital. That really doesn't help you in terms of getting ahead on a waiting list, for instance. So those policies are not very helpful at all. I think people need to really look at their policies, read the fine print, make sure they understand what exclusions might apply to their policies. Because, as you say, a lot of people have opted out, but also a lot of people have downgraded their policies, and that's why we're seeing more complaints going to the Health Ombudsman about the fact that they thought they were covered for a procedure, only to find out at the last minute that they're not.

LISA WILKINSON: What do you think about these companies that we see now, that advertise very heavily, about you go to them and they choose the best health insurance policy for you. Do you recommend them? Or should people do it for themselves?

BRIAN OWLER: I think people really should look at the policies themselves and make their own judgement, and the reasons for that is that the comparison websites only have a limited number of policies that they compare. They don't compare every policy that's available. They also, of course, have a fee structure inside those comparison sites that goes to the health fund, but increases the cost of private health insurance and may distort some of the comparisons as well.

LISA WILKINSON: Alright, well those increases are two weeks away so people have got time to do all of that. Professor, thanks very much for your time this morning.

BRIAN OWLER: It's a pleasure, Lisa.

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CONTACT: John Flannery   02 6270 5477 / 0419 494 761
              Kirsty Waterford   02 6270 5464 / 0427 209 753

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