PRIVATE HEALTH INSURANCE PROVIDING LITTLE CHOICE, AND LESS VALUE FOR RURAL AND REMOTE AUSTRALIA

Today’s release of a new report from the Australian Institute of Health and Welfare on private health insurance use in Australian hospitals, highlights the lack of choice faced by privately insured individuals living in rural and remote areas of Australia.

The data shows that the proportion of private health insurance funded admissions to public hospitals increases significantly in rural Australia – with remote areas having almost double the proportion of privately funded public hospital admissions than in major cities of Australia.

Mark Diamond, Interim CEO of the National Rural Health Alliance, says that this data is indicative of the lack of choice and lack of value for money for privately insured individuals living in rural and remote areas:

“Almost 50% of people living in country areas have some level of private health insurance yet most are denied the opportunity to fully utilise it. There either needs to be a reduction in premiums that reflects their restricted opportunity to access the benefits of private health insurance, or more access provided to private services in rural and remote Australia.”

Mr Diamond adds that being admitted as a private patient to a local public hospital represents one of the few occasions where people can obtain some value from their insurance:

“Privately insured individuals in rural and remote Australia are essentially subsidising the cost of premiums for people in metropolitan and inner regional areas of Australia. This situation is highly inequitable and represents a further area of disadvantage for the seven million people living in rural and remote Australia.”

These issues were emphasised by the National Rural Health Alliance at the second public hearing of the Senate Community Affairs Reference Committee on the value and affordability of private health insurance and out-of-pocket medical costs. The Committee is expected to report on its findings on December 15, 2017.

Media Enquiries: Mark Diamond
Interim CEO
0428 817 090

The National Rural Health Alliance is Australia’s peak non-government organisation for rural and remote health. Its vision is good health and wellbeing in rural and remote Australia.