

## MEDIA RELEASE

## Wednesday, 1 May 2024

## Decision on surgical general use items is a win for patients

Australian patients will be protected from another cost-of-living blow after the federal government announced health insurers must continue funding essential surgical items.

From 1 July, patients would have otherwise faced the prospect of higher costs as health insurers would have no longer been obliged to cover theses costs under a policy set by the former government.

In discussions with the federal government, the AMA expressed significant concerns that the cost of these items, including staples, sutures and glues, would be passed on to patients in the form of higher gap fees or be absorbed by private hospitals who are already under serious financial strain.

Today, Health Minister Mark Butler confirmed that insurers would continue to be required to cover these costs going forward.

AMA President Professor Steve Robson said he thoroughly welcomed the decision as a win for patients.

"With rising private health insurance premiums, this announcement will go a long way to ensuring patients are shielded from further financial pain from July 1," Professor Robson said.

"The AMA was extremely concerned that the former policy would see private insurers continue to squeeze the private hospital sector and make it more difficult for patients to access services."

Professor Robson said further reforms are still required to ensure the private health system remains viable and that consumers get real value for money from their private health insurance.

"Private health insurers should be required to return 90 per cent of private health insurance premium revenue paid each year back to consumers in the form of benefits for treatment," Professor Robson said.

"We have also been calling for a truly independent and well-resourced Private Health System Authority to bring all relevant stakeholders together and drive much-needed reform."

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