AMA

# PRIVATE HEALTH INSURANCE REPORT CARD 2017

# AMA
# PRIVATE HEALTH INSURANCE
# REPORT CARD 2017

## Improving value

Private health insurance offers Australians greater choice in their doctors and their treatment and may offer shorter waiting times for some services. However, private health insurance is one of the more complex forms of insurance and many consumers report that they do not know what they are covered for.

The AMA understands that purchasing private health insurance is a significant financial commitment for many consumers and achieving value for money is extremely important.

Last year's Report Card provided consumers with clear, simple information about how health insurance really works. It highlighted that there is a wide range of private health insurance policies to choose from and that sometimes policies have misleading names that imply that they will provide a very high standard of benefits but unfortunately do not when the time comes to claim.

Last year's Report Card highlighted how difficult it is for consumers to navigate the private health system and choose a product to suit their situation. Finally, the Report Card asked consumers to consider carefully what cover they really need, and review their policy to ensure that those needs will be met.

## Reforms to Private Health Insurance

The Federal Government has responded to calls for greater clarity by establishing a Private Health Ministerial Advisory Committee with the task of simplifying private health insurance, making it more transparent for consumers, and taking costs out of the system to ease pressure on premium rises.

The AMA, together with other key stakeholders in the private health sector on this Committee, will work in partnership to develop a set of recommendations to reform private health insurance for the Federal Government by examining all aspects of private health insurance. In particular, this group will focus on:

- The development of easy-to-understand categories of health insurance, so that consumers understand what their policies will and will not cover.
- Addressing regulatory issues that are adding to the cost of premiums and discouraging innovation.
- Developing a private health insurance product designed specifically for Australians living in rural and remote areas.

## The AMA Private Health Insurance Report Card 2017

The AMA has produced this Report Card to highlight for consumers, in the simplest terms, that there are differences in private health insurance policies and the operations of funds. The Report Card provides consumers with indicators to help them choose the right cover for them, noting that what is important from a health insurance product differs from each individual or family[1].

This year, it covers a range of new areas. It provides a comparison of what proportion of hospital and medical costs are covered by each fund, the proportion of premiums returned to policy holders, and Government data on complaints made about funds. These characteristics show consumers how likely they are to face out-of-pocket costs and how easy interacting with their fund may be. These differences can have a significant impact upon the amount of support from their health insurance fund a person may experience when they undergo treatment.

This Report Card is a compilation of information gathered from a range of sources and is not tailored for individual circumstances. As with any insurance product, you should consider carefully which product is right for you and seek professional advice where necessary. This Report Card is not intended as a substitute for proper enquiries.

We hope the Report Card encourages people to review their private health insurance policy to ensure it meets their needs.

**Dr Michael Gannon**
President
27 March 2017

1 The information in the tables in this report is current as at 27 March 2017 and is based on a detailed review of the policies offered by private health insurers, benefit schedules published by private health insurers, and information reported by the Private Health Insurance Ombudsman at www.phio.org.au and the Australian Prudential Regulation Authority. These reports are updated throughout the year and the date of the publication is noted in the citation.

# HOW HEALTH CARE IS FUNDED

Private health insurance is one of the more complex forms of insurance, and therefore the most difficult to understand when buying a new policy or trying to work out what is covered by an existing policy.

There are three aspects about private health insurance for hospital treatment that are most commonly misunderstood:

1. Not all private health insurance policies cover every medical treatment.
2. What is covered by a purchased policy can change often.
3. Patients will sometimes have out-of-pocket costs even when their policy covers the medical treatment they need.

## Cover

It is common for doctors to see patients who think they are covered for a treatment, but actually are not. Patients are aware of how much their private health insurance costs, and often assume it will cover everything.

If a patient has treatment as a private patient, in a public or private hospital, each of the doctors who treats them can charge a fee for their service. The hospital will also charge for the hospital accommodation and other hospital services.

There have been cases where treatment is planned and surgery is booked, only to be cancelled shortly beforehand when the hospital's health insurance check finds that the level of insurance the patient has does not cover them for that particular treatment. The patient then needs to either upgrade their policy, and serve the waiting period, or go on the public hospital waiting list. The unfortunate result is they can't have the treatment they need, when they need it, which is traumatic for the patient as it can mean that their condition can deteriorate.

Every person who has private health insurance should know what their policy covers them for, and should review it every year to make sure it meets their needs and will continue to do so in the future.

## Out-of-pocket costs

A long standing concern for consumers is that they may face out-of-pocket costs as a result of their treatment.

Practitioners who treat patients will send them a bill for their services (a fee). Privately insured in-hospital medical treatment is partially covered by Medicare. If you choose to be treated as a private patient in a hospital (public or private), Medicare will cover you for 75 per cent of the Medicare Benefits Schedule (MBS) fee for associated medical costs. By law, private health insurers must top up the Medicare payment by least 25 per cent of the relevant MBS fee, but this can be more.

The out-of-pocket cost is the difference between the fees charged by the doctor and the combined MBS fee and private health insurance benefit.

## Medicare Freeze

Since 2014, there has been an ongoing freeze on indexation of the MBS fees, meaning the fee lags behind the real cost of providing quality patient care. This year, patient out-of-pocket costs will be even higher because of the compounding effect of the ongoing freeze on MBS indexation. Therefore, it is likely that many more patients will face out-of-pocket expenses.

Insurers may pay different benefit amounts for the same medical service. For example, for an uncomplicated delivery of a baby in Victoria, the best paying fund set a benefit of $2150.35, whereas other funds only cover $1351.50.

The greater the benefits, the less likelihood of out-of-pocket costs.

## No-Gap and Known Gap

Some insurers offer a 'no-gap' arrangement. This occurs when the practitioner agrees with the insurance fund to charge the exact same amount as the private health insurer's benefit amount for a service. This is called a 'no-gap' service. In most cases, doctors provide the service at 'no-gap'[2]. This is generally a benefit that is above the MBS fee.

Some insurers will pay a benefit that includes a 'known gap'. This is where the insurer will allow the doctor to charge a fee that is a set amount above the benefit amount (normally a maximum of $500.00).

Using total hip replacement (MBS item 49318) as an example, the following table shows the three billing and payment scenarios, where the insurer has set a medical benefit of $2,092.80 and a 'known gap' amount of $500.

| | Doctor's fee | MBS fee | MBS rebate (75%) | PHI medical benefit | Out-of-pocket cost |
|---|---|---|---|---|---|
| Doctor accepts PHI medical benefit amount | $2,092.80 | $1,317.80 | $988.35 | $2092.80 | $0.00 |
| Doctor accepts PHI known gap arrangement | $2,592.80 | $1,317.80 | $988.35 | $2092.80 | $500.00 |
| The benefit amount does not cover the Doctor's fees | $2,615.00 | $1,317.80 | $988.35 | $329.45 | $1,297.20 |

2 APRA: Medical Gap September 2016

Finally, it is important to remember that your health insurance policy may have an excess amount payable to the hospital. This is an amount you pay for admission to the hospital and is separate from any gap payment you may make for the practitioners' treatment.

### Treatment in a public hospital

Some privately insured patients choose to be treated in a public hospital rather than a private hospital. These patients are able to choose their clinician, but, depending upon their insurance, may not be able to choose a private room. Like the private system, there may be fees for the practitioner and hospital accommodation costs.

There are a variety of reasons a privately insured patient may choose to be treated in a public hospital. These include:

- Their preferred clinician has a private practice at that hospital.
- Their clinician is the only specialist in their area who treats their particular medical problem.
- The public hospital may be the only hospital with the appropriate technology for the treatment needed.
- It may be the closest hospital to the patient's home and family.

## STATE BASED COMPARISON OF GAPS

Last year's Report Card highlighted that the amount of benefits paid by a fund for a procedure can have a significant impact upon a consumer. This year, the Report Card provides information on two different measures of benefits:

- The percentage of hospital related charges covered (this includes accommodation at the hospital and nursing). Hospital charges are a large component (around 70 per cent) of the total cost of a treatment.
- The percentage of medical services provided with no-gap. This is the percentage of the practitioner's fees paid by that fund that are provided with no-gap.

This information is broken down on a state basis because the value of some funds' gap schemes and benefits schedules can differ between states and these differences are not apparent in the national figures.

For example, one fund currently pays a benefit amount of $1401.05 in Victoria for cataract surgery (MBS item 42702), but it only pays $1167.85 in Tasmania and the Northern Territory - a difference of 20 per cent. The same fund pays $2468.85 for a knee replacement (MBS item 49518) in Victoria, but only $2089.75 in the Northern Territory.

## Percent of Hospital Related Charges covered by state[3]

### Open membership funds

| | ACT | NSW | VIC | QLD | SA | WA | TAS | NT |
|---|---|---|---|---|---|---|---|---|
| Australian Unity | 76.8% | 87.3% | 91.4% | 89.5% | 92.8% | 89.5% | 90.2% | 82.6% |
| BUPA | 81.0% | 88.7% | 93.4% | 91.0% | 95.4% | 88.9% | 92.8% | 90.1% |
| CDH | 73.3% | 96.3% | 94.0% | 93.0% | 98.6% | 55.2% | 100.0% | N/A |
| CUA Health | 75.9% | 89.3% | 90.1% | 92.8% | 91.2% | 89.3% | 92.3% | 97.0% |
| GMHBA | 68.8% | 79.9% | 89.2% | 82.9% | 84.5% | 86.5% | 90.7% | 79.6% |
| GU Corporate | 85.3% | 86.1% | 90.4% | 88.8% | 89.9% | 87.5% | 92.8% | 93.4% |
| HBF | 85.4% | 90.5% | 94.7% | 92.6% | 95.4% | 95.9% | 95.3% | 90.1% |
| HCF | 87.9% | 92.8% | 93.6% | 92.5% | 95.6% | 90.4% | 93.8% | 90.6% |
| HCI | 92.2% | 92.6% | 92.7% | 92.8% | 95.1% | 88.4% | 95.4% | 97.3% |
| Health.com.au | 77.1% | 82.1% | 85.7% | 85.0% | 90.1% | 85.6% | 87.7% | 85.5% |
| Health Partners | 78.5% | 89.5% | 92.4% | 90.2% | 96.3% | 89.7% | 95.2% | 90.3% |
| HIF | 86.7% | 87.2% | 90.6% | 90.6% | 93.6% | 92.5% | 93.4% | 95.5% |
| Latrobe | 75.9% | 86.5% | 92.3% | 89.4% | 92.2% | 91.5% | 92.4% | 76.1% |
| MDHF | 73.9% | 93.5% | 93.5% | 89.8% | 92.3% | 90.9% | 95.7% | 92.7% |
| Medibank | 82.9% | 89.1% | 92.8% | 90.2% | 94.1% | 91.0% | 93.8% | 88.6% |
| NIB | 73.4% | 86.4% | 85.2% | 83.2% | 89.1% | 82.9% | 88.8% | 81.0% |
| Onemedifund | 100.0% | 91.1% | 94.7% | 95.2% | 96.6% | 94.0% | 96.2% | N/A |
| Peoplecare | 77.9% | 90.4% | 92.6% | 90.6% | 92.2% | 92.2% | 90.6% | 82.4% |
| Phoenix | 83.3% | 95.1% | 95.8% | 94.2% | 97.2% | 92.4% | 98.2% | 74.1% |
| QCH | 65.5% | 90.6% | 93.0% | 89.3% | 97.2% | 92.4% | 93.9% | 88.6% |
| St. Lukes | 75.5% | 92.8% | 93.2% | 90.9% | 94.6% | 93.5% | 94.5% | 86.2% |
| Transport Health | 90.8% | 84.9% | 93.7% | 89.2% | 96.3% | 75.9% | 96.5% | N/A |
| Westfund | 86.3% | 89.6% | 95.9% | 91.0% | 96.9% | 94.7% | 94.2% | 94.8% |

3 Commonwealth Ombudsman: State of the Health Funds Report 2016

## Restricted membership funds

| | ACT | NSW | VIC | QLD | SA | WA | TAS | NT |
|---|---|---|---|---|---|---|---|---|
| ACA | 80.0% | 93.9% | 97.1% | 95.2% | 96.7% | 96.7% | 88.8% | 100.0% |
| CBHS | 83.2% | 90.0% | 94.3% | 93.2% | 96.7% | 93.2% | 95.7% | 87.9% |
| Defence Health | 84.1% | 90.8% | 93.9% | 92.5% | 95.4% | 93.0% | 95.2% | 93.0% |
| Doctors' Health | 94.3% | 93.3% | 93.5% | 92.8% | 90.9% | 89.6% | 89.2% | 92.7% |
| Navy Health | 86.4% | 90.6% | 94.6% | 92.2% | 97.3% | 94.5% | 95.2% | 89.0% |
| Police Health | 91.8% | 94.4% | 94.5% | 93.0% | 98.3% | 93.1% | 95.7% | 92.7% |
| RT Health Fund | 90.9% | 93.0% | 94.5% | 93.3% | 97.6% | 86.4% | 93.5% | 86.0% |
| Reserve Bank | 85.9% | 93.1% | 97.6% | 95.4% | 93.1% | 96.1% | 96.3% | 99.8% |
| Teachers Health | 84.6% | 91.2% | 93.1% | 92.3% | 95.1% | 90.6% | 93.6% | 93.3% |
| TUH | 90.9% | 92.9% | 93.6% | 92.2% | 96.8% | 95.5% | 92.5% | 88.5% |

Includes charges for hospital accommodation, theatre costs, prostheses and specialist fees (not including the Medicare benefit) and associated benefits (after any excesses and co-payments are deducted).
Open members funds provide policies to the general public, where restricted member funds are provide policies to specific groups.
Note: n/a signifies no activity in that state. 100% is likely to indicate small numbers (e.g. only 1 episode).

## Gaps

Health insurance funds may have different benefit amount schedules for each State and Territory. These schedules may not be publicly available, so please ask your fund. If a fund has a higher percentage of medical services covered at no-gap compared with another fund (in the same State or Territory), it is a signal that the first fund has a more effective scheme in that state and that you are less likely to have an out-of-pocket cost post treatment. Overall, the best fund for you may depend upon where you live.

The following table shows the likelihood of medical services being provided under a no-gap arrangement by state and fund.

## Percent of services with no-gap[4]

| | ACT | NSW | VIC | QLD | SA | WA | TAS | NT |
|---|---|---|---|---|---|---|---|---|
| Australian Unity | 82.3% | 90.7% | 94.0% | 93.6% | 94.8% | 90.3% | 92.7% | 88.0% |
| ACA | 73.4% | 90.6% | 94.6% | 94.5% | 89.1% | 89.6% | 97.5% | 100.0% |
| BUPA | 75.2% | 83.9% | 85.4% | 80.6% | 84.3% | 71.2% | 88.6% | 81.8% |
| CBHS | 80.7% | 87.6% | 92.0% | 92.4% | 92.4% | 89.6% | 93.5% | 89.8% |
| CDH | 55.6% | 87.7% | 61.7% | 60.6% | 58.8% | 38.9% | 100.0% | N/A |
| CUA Health | 69.4% | 88.9% | 88.3% | 93.3% | 89.9% | 85.3% | 89.7% | 96.0% |
| Defence Health | 78.6% | 88.5% | 91.7% | 92.3% | 92.2% | 88.4% | 93.5% | 86.4% |
| Doctors' Health | 91.9% | 92.6% | 92.6% | 94.6% | 90.4% | 91.7% | 89.5% | 90.4% |
| GMHBA | 48.8% | 70.4% | 73.0% | 75.2% | 72.3% | 63.6% | 70.2% | 56.6% |
| GU Corporate | 84.1% | 86.3% | 93.0% | 90.3% | 94.9% | 82.6% | 90.4% | 95.9% |
| HBF | 57.9% | 82.1% | 85.5% | 80.1% | 73.1% | 86.2% | 69.8% | 58.8% |
| HCF | 77.7% | 86.6% | 80.9% | 84.9% | 81.9% | 77.1% | 81.3% | 80.2% |
| HCI | 94.2% | 89.4% | 88.5% | 90.1% | 89.4% | 87.1% | 92.1% | 92.7% |
| Health.com.au | 70.5% | 81.8% | 86.1% | 86.6% | 87.4% | 81.9% | 88.2% | 82.8% |
| Health Partners | 63.0% | 85.7% | 87.8% | 90.8% | 94.7% | 76.6% | 87.5% | 72.5% |
| HIF | 79.8% | 81.6% | 87.5% | 87.4% | 89.0% | 87.9% | 85.4% | 94.4% |
| Latrobe | 39.5% | 74.0% | 83.8% | 79.0% | 77.2% | 74.8% | 67.8% | 33.9% |
| MDHF | 36.4% | 82.5% | 82.1% | 72.7% | 73.5% | 56.9% | 45.4% | 14.3% |
| Medibank | 79.5% | 87.6% | 83.6% | 87.4% | 90.3% | 77.5% | 92.9% | 77.5% |
| Navy Health | 79.7% | 87.8% | 91.5% | 90.8% | 95.5% | 88.3% | 96.5% | 89.1% |
| NIB | 63.6% | 86.0% | 84.8% | 80.6% | 84.7% | 72.5% | 81.4% | 66.4% |
| Onemedifund | 100.0% | 89.0% | 89.5% | 92.7% | 91.7% | 85.5% | 95.2% | N/A |
| Peoplecare | 77.5% | 91.0% | 90.1% | 90.8% | 92.2% | 88.1% | 94.9% | 89.5% |
| Phoenix | 53.8% | 91.9% | 91.5% | 90.3% | 93.9% | 88.4% | 90.6% | 93.3% |
| Police Health | 67.8% | 85.5% | 86.9% | 89.0% | 93.4% | 84.1% | 91.6% | 83.7% |
| QCH | 53.8% | 88.2% | 91.8% | 90.7% | 92.4% | 86.4% | 96.8% | 76.3% |
| RT Health Fund | 82.4% | 92.6% | 92.1% | 93.2% | 94.4% | 77.7% | 90.2% | 85.3% |
| Reserve Bank | 76.9% | 89.0% | 93.6% | 93.1% | 95.1% | 90.5% | 83.4% | 97.1% |
| St. Lukes | 88.5% | 84.0% | 82.9% | 77.8% | 81.6% | 58.2% | 90.5% | 98.5% |
| Teachers Health | 78.9% | 89.4% | 90.6% | 92.7% | 92.5% | 86.9% | 93.3% | 89.6% |
| Transport Health | 74.7% | 87.0% | 91.7% | 92.1% | 98.3% | 66.7% | 85.0% | N/A |
| TUH | 83.8% | 88.6% | 87.8% | 92.8% | 96.2% | 86.8% | 90.2% | 87.5% |
| Westfund | 72.2% | 83.8% | 85.3% | 83.4% | 86.8% | 90.7% | 79.4% | 80.3% |

4 Commonwealth Ombudsman: State of the Health Funds Report 2016

# PROPORTION OF PREMIUMS RETURNED TO MEMBERS

## Proportion of premiums used to manage funds

Funds will generally aim to set premium levels to cover the expected costs of benefits plus the fund's management costs. As a result, if management expenses as a proportion of payments are higher, a smaller proportion of premiums is being spent on treatment. Naturally, such calculations are complex, but it is likely that a greater proportion of premiums being paid towards benefits is one indicator of value.

## Management expenses

The amount of premiums per policy that are used to manage the business of the fund is a key indicator of how efficiently the fund is being managed. It is similar to the proportion of premiums being used to manage the fund.

The table below shows a comparison of the relative amount each fund spends on administration costs. On average, restricted membership funds have lower management expenses as a proportion of benefits paid than open membership funds. There are various reasons for this: for example, it can be due to contributions from organisations that they are associated with or lower expenditure on marketing[5].

### Premiums and management expenses

| | Premium revenue (000s) | Total fund benefits (000s) | Benefits as a proportion of premiums | Management expenses average policy |
|---|---|---|---|---|
| Industry | 22,054,223 | 18,984,756 | 86% | 288 |
| Health.com.au | 117,259 | 112,968 | 96% | 180 |
| HIF | 153,316 | 145,352 | 95% | 347 |
| Defence Health | 413,937 | 391,200 | 95% | 231 |
| Mildura District Health Fund | 40,681 | 37,942 | 93% | 220 |
| Phoenix | 31,543 | 29,273 | 93% | 394 |
| CDH | 10,320 | 9,487 | 92% | 438 |
| Queensland Teachers | 149,046 | 136,785 | 92% | 422 |
| CBHS | 360,579 | 330,674 | 92% | 294 |
| Health-Partners | 136,808 | 125,038 | 91% | 320 |
| Teachers Health Fund | 543,814 | 494,567 | 91% | 267 |
| Navy Health | 69,542 | 63,107 | 91% | 354 |
| Transport | 24,753 | 22,463 | 91% | 297 |
| CUA Health | 135,755 | 122,956 | 91% | 331 |
| HBF | 1,506,711 | 1,355,488 | 90% | 299 |

5 APRA: Operations of the Health Insurance Funds 2016

| | Premium revenue (000s) | Total fund benefits (000s) | Benefits as a proportion of premiums | Management expenses average policy |
|---|---|---|---|---|
| Police Health | 104,945 | 93,397 | 89% | 429 |
| Peoplecare | 122,399 | 107,336 | 88% | 377 |
| QCH | 91,962 | 80,414 | 87% | 475 |
| HCF | 2,426,992 | 2,115,810 | 87% | 284 |
| Latrobe | 148,832 | 129,186 | 87% | 318 |
| Reserve Bank | 13,499 | 11,707 | 87% | 680 |
| St Luke's | 103,020 | 89,254 | 87% | 419 |
| GMHBA | 415,477 | 356,430 | 86% | 322 |
| BUPA | 6,119,332 | 5,233,868 | 86% | 276 |
| NIB | 1,568,369 | 1,333,626 | 85% | 269 |
| HCI | 17,463 | 14,715 | 84% | 474 |
| Medibank | 6,037,916 | 5,063,712 | 84% | 265 |
| RT Health Fund | 98,430 | 82,512 | 84% | 624 |
| Doctors' Health | 66,614 | 55,203 | 83% | 518 |
| ACA | 23,573 | 19,480 | 83% | 477 |
| Australian Unity | 653,517 | 539,741 | 83% | 368 |
| Westfund | 167,478 | 136,886 | 82% | 431 |
| GU Corporate | 151,848 | 122,124 | 80% | 839 |
| Onemedifund | 28,492 | 22,054 | 77% | 374 |

## Changes in benefits

Finally, it is very important that consumers check any information that they receive from their insurer. Consumers can experience a change to benefits in a number of ways, including through a change to an insurer's rules or a change to an insurer's arrangements with health care service providers. Benefit changes are widespread and the Australian Competition and Consumer Commission suggests that these changes are increasing over time.  Your fund should inform you clearly and promptly of any relevant changes to your benefits.

## Complaints

The experience of medical practitioners is that some insurers are easier to deal with than others. Unexpected rejection of claims by insurers is distressing for patients, particularly at a time when they are recovering from treatment.

During 2015-16, the Private Health Insurance Ombudsman (PHIO) received a total of 4416 complaints relating to private health insurance.  This is a151 more than the previous year.

Complaints within the sector centre around benefits payable, pre-existing conditions[6], shifting between funds and obtaining clearance certificates and out-of-pocket expenses.

6 A pre-existing condition is defined as any ailment, illness, or condition where the signs or symptoms of that illness, ailment or condition existed at any time within 6 months before the day the person became insured.

Back in 2014-15, the PHIO received 281 complaints specifically related to health fund rule changes, representing a dramatic increase of 290 per cent on 2013-14. These changes by the funds create a number of problems for consumers. Most notably, they shift costs from the insurer to the consumer and increase the chance that existing policy holders may suffer bill shock as they were not aware of the changes to their cover. They also add further complexity to the private health insurance industry.

The clarity of oral advice is often complained about. The AMA recommends that, when contacting an insurer, consumers should be very careful to note the details of what will and will not be covered, or ask for written advice as benefits are commonly misunderstood.

The following table shows the type of complaints received by the PHIO for each fund, and the proportion that were investigated.

The PHIO protects the interests of people covered by private health insurance. The PHIO carries out this role in a number of ways, including an independent complaints handling service. The PHIO provides information on complaints about insurers and how they are resolved.

Visit www.phio.gov.au

## Larger Funds (greater than 0.5 of market share)[7]

| | Market Share | Benefits | Service | All Complaints | Complaints investigated |
|---|---|---|---|---|---|
| Australian Unity | 3.1% | 5.0% | 5.7% | 5.1% | 4.8% |
| BUPA | 27.0% | 22.5% | 17.4% | 21.7% | 28.6% |
| CBHS | 1.4% | 1.3% | 0.3% | 0.9% | 1.3% |
| CUA Health | 0.6% | 0.3% | 0.9% | 1.8% | 2.5% |
| Defence Health | 1.8% | 0.7% | 0.6% | 0.7% | 0.9% |
| GMHBA | 2.1% | 1.7% | 0.9% | 1.4% | 0.9% |
| HBF | 8.0% | 3.3% | 3.9% | 3.3% | 3.1% |
| HCF | 10.3% | 10.9% | 8.6% | 10.6% | 9.6% |
| Health.com.au | 0.6% | 1.6% | 0.3% | 1.4% | 1.9% |
| Health Partners | 0.6% | 0.2% | 0.3% | 0.3% | 0.0% |
| HIF | 0.9% | 0.7% | 0.5% | 0.6% | 0.4% |
| Latrobe | 0.7% | 0.4% | 0.2% | 0.4% | 0.1% |
| Medibank | 27.6% | 35.4% | 52.2% | 40.2% | 36.8% |
| NIB | 8.1% | 10.6% | 5.2% | 7.8% | 6.1% |
| Peoplecare | 0.5% | 0.2% | 0.3% | 0.2% | 0.1% |
| Teachers Health | 2.2% | 2.2% | 1.1% | 1.2% | 0.9% |
| TUH | 0.6% | 0.2% | 0.2% | 0.2% | 0.1% |
| Westfund | 0.7% | 0.2% | 0.3% | 0.3% | 0.1% |

7 Commonwealth Ombudsman: State of the Health Funds Report 2016

### Smaller Funds (less than 0.5 per cent of market share)

| | Number of complaints received | Below market share | Number of complaints investigated | Below market share |
|---|---|---|---|---|
| ACA | 0 | Yes | 0 | Yes |
| CDH | 2 | No | 0 | Yes |
| Doctors' Health | 11 | No | 2 | No |
| GU Corporate | 17 | Yes | 5 | No |
| HCI | 1 | Yes | 0 | Yes |
| MDHF | 1 | Yes | 1 | Yes |
| Onemedifund | 1 | Yes | 0 | Yes |
| Navy Health | 2 | Yes | 0 | Yes |
| Phoenix | 0 | Yes | 0 | Yes |
| Police Health | 1 | Yes | 0 | Yes |
| QCH | 2 | Yes | 0 | Yes |
| St. Lukes | 4 | Yes | 0 | Yes |
| RT Health Fund | 15 | Yes | 1 | Yes |
| Reserve Bank | 0 | Yes | 0 | Yes |
| Transport Health | 8 | No | 1 | Yes |

## Doctor rating sites

Some private health insurers have started publishing information about practitioners' businesses, including billing data. These insurers use a pre-determined list of practitioners who charge a pre-agreed amount, and these lists are unlikely to include all practitioners who can provide that service.

There are a number of websites that rate doctors and some of these allow users to anonymously post ratings and commentaries regarding medical practitioners. These posts need to be read with caution: these sites use only patient reviews to rank doctors. There is no apparent or practical way to control the source of the comments and the veracity and integrity of the comments. This means the ratings are based more on subjective opinion than actual data showing how well a doctor provided treatment or care.

Also, simply publishing the one fee for a particular treatment or procedure may mislead a consumer as it ignores clinical factors like the complexity of the procedure for that individual, who may have other health issues such as comorbidities. A general practitioner who has an ongoing relationship with their patient will be best placed to refer for appropriate specialist care. Patients should discuss with their general practitioner who is the best person to provide the care they need.

The Australian Health Practitioner Regulation Agency provides information on whether a practitioner is registered and can legally provide medical services in Australia. You can search for your practitioner here https://www.ahpra.gov.au/

# MORE INFORMATION ABOUT PRIVATE HEALTH INSURERS AND THEIR PRODUCTS

## Government information

The Australian Government hosts a website that provides more detailed information about how private health insurance works; a tool for comparing the features of policies; and the Standard Information Statements for every policy.

Visit www.privatehealth.gov.au

## More information about medical fees

To read more about how the health care system funds medical care visit

www.ama.com.au/article/guide-patients-how-health-care-system-funds-medical-care

To read more about *Informed Financial Consent* for medical bills visit www.ama.com.au/article/ama-informed-financial-consent