



Friday, 4 October 2019

Facts get in the way of a bad story

In his latest contribution to the private health insurance debate, the Grattan Institute's Health Plan Director Stephen Duckett got basic facts wrong about private hospital efficiency and costs.

In an interview on ABC's AM program, Mr Duckett claimed private hospital costs were rising 'very rapidly' and private hospital length of stay is longer than in public hospitals.

The facts are clear, data from the independent Australian Institute of Health and Welfare shows private hospital length of stay was 2.2 days in 2017-2018 compared to 3.0 days in public hospitals. Some of this difference is due to private hospitals performing two thirds of all same day admissions, but when these are excluded from both sectors, the average length of stay in private hospitals is 5.2 days, still lower than the public average of 5.4 days.

Australian Private Hospitals Association CEO Mr Michael Roff said Mr Duckett's assertion that private hospital costs are rising and pushing up premiums was just not true.

"Since 2016, the average cost per episode of private hospital services has increased at about the same rate as inflation. This is despite the fact patients treated by private hospitals are older and have more complex conditions than ever before," Mr Roff said.

"You can't participate in this debate if you can't get your basic facts right. Despite this, Mr Duckett has again charged in, laying the blame for unaffordable premiums at the feet of private hospitals and conveniently ignoring the \$1.5 billion in private health insurance benefits gouged by public hospitals every year, driving up premiums and extending public waiting lists," he said.

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The Australian Private Hospitals Association (APHA) is the peak industry body representing the private hospital and day surgery sector. The private hospital sector treats 4.5 million patients a year, including treatment of a third of chemotherapy, 60 percent of all surgery, 74 percent of all elective musculoskeletal surgery and 80 percent of rehabilitation.