



Tuesday, 23 February 2021

## Uptick in private hospital care as lockdowns end

New data shows patient numbers seeking care in private hospitals were slowly beginning to bounce back toward the end of 2020 after COVID-19 restrictions limited elective surgery, but treatment episodes are still down compared to the same time in 2019.

The latest data from the Australian Prudential Regulation Authority (APRA) showed a 24 percent increase in episodes of care from the June to December 2020 quarters, illustrating a return to more 'normal' levels. However, numbers were still impacted by shut downs in Victoria and short-term restrictions in South Australia.

Australian Private Hospitals Association (APHA) CEO Michael Roff said the sector is providing care to patients, but is still impacted by the pandemic.

“This data shows us an increase in episodes of care in the private sector – some of which will be helping public hospitals battle their large elective surgery waiting lists – but it is still 10 percent lower than the same period pre-pandemic. There is still some work to be done before the sector is fully recovered.”

Mr Roff said it was pleasing to see the continued uptick in Australians taking up private health insurance, but this might change when JobKeeper ends next month.

“This continued increase is good, though it is not as high as in the September quarter. However, there may yet be another blow for health insurance as COVID-19-related income supports are withdrawn. This highlights the need for the Federal Government to assist households to keep their insurance by restoring the rebate for low-income earners in the Budget.

“These households face a ‘double whammy’ of increased premiums and reduced rebates because every year the value of their private health insurance rebate goes down. The Government can provide significant relief to those families and make the rebate count again,” he said.

Another way Australians could save money on their health insurance is a drop in premiums if deferred claims are not realised.

“The APRA release shows us there is a deferred claims liability of \$1.8 billion – which is money sitting in the banks of private health insurers expected to be paid out as elective surgery and other procedures catch up post-lockdown.

“If these claims are not made due to capacity restraints, that money should be returned to private health insurance members via reductions in premiums. If insurers are serious about lower premiums for Australians, they will readily agree to this,” Mr Roff said.

In addition, it appears the ‘harvesting’ of privately insured patients in public hospital emergency departments has dropped both over the quarter and over the 12 months to December 2020. This is good news for public patients languishing on waiting lists that are blowing out all over the country due to COVID-19 surgery restrictions.



Australian  
Private Hospitals  
Association



“These waiting list issues should be a wake-up call for the public hospital system to prioritise access for public patients, not health insurance revenue. Private hospitals have already stepped up to the mark to assist the public system during the pandemic, now that hospitals are returning to ‘normal’ we look forward to seeing public hospital waiting lists reduce along with the number of private patients treated in public hospitals.”

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The Australian Private Hospitals Association (APHA) is the largest peak industry body representing the private hospital and day surgery sector. The private hospital sector treats 4.6 million patients a year, including treatment of more than a third of chemotherapy, about 60 percent of all surgery, 60 percent of all elective musculoskeletal surgery.