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## Private hospitals double down to address elective surgery backlog

Australia's private hospitals have boosted their efforts to address elective surgery waiting lists, the latest data shows.

The Australian Prudential Regulation Authority (APRA) shows there were 995,540 episodes of care in private hospitals during the three months to the end of September. This is an increase on the previous quarter as private hospitals doubled down to address the backlog, even though restrictions were in place during the quarter in New South Wales and are only now being gradually relaxed in Victoria.

Australian Private Hospitals Association (APHA) Acting CEO Lucy Cheetham said this was encouraging for Australians who have been left languishing on waiting lists for important surgery. Despite the best efforts of private hospitals, she warned there were likely to be long waits for some time to come.

"This is a serious situation for those affected patients and the healthcare system. These are surgeries and other treatments that have been deferred but they will need to be done at some stage and include procedures like total knee and hip replacements or cataract surgery that impact a patient's ability to move around or to see," she said.

The data also shows that more Australians will be able to access private hospital care for their surgery as year-on-year data shows an increase of 204,848 people choosing hospital cover.

"It is encouraging that more people will have access to private hospitals so we can address the surgery needs when the COVID situation settles," Ms Cheetham said.

However, today's data also shows private health insurers continue to hold on to members' funds in deferred claims liability. There has been a decrease on the \$1.8 billion reported at the start of 2021, but it remains only dented at \$1.2 billion. APRA has relaxed its requirements meaning that it is now down to health insurers themselves how much longer they decide to hold on to members' money, Ms Cheetham said.

"In its report to the Senate the Australian Competition and Consumer Commission has suggested 'deferred claims' not used to address the elective surgery backlog should be taken into consideration when the Health Minister considers premium increases.

"The APRA report indicates health insurers have more than doubled their profit to \$1.8 billion in the 12 months to the end of September. Therefore, the Minister should look very closely at any insurer trying to increase their premiums while still holding on to large amounts of their member's money in the form of deferred claims," Ms Cheetham said.

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