



Thursday, 5 May 2022

Health insurance industry body “sky is falling” approach ignores the facts

The health insurance industry body, Private Healthcare Australia (PHA) has ‘lost the plot’ launching a bizarre scare campaign following revelations Ramsay Health Care may go out of contract with a large health insurer, says Australian Private Hospitals Association (APHA) CEO Michael Roff.

“PHA is running around with their ‘sky is falling’ line about double digit premium increases based on nothing. There is no basis to suggest premiums will be impacted and they should be ashamed of themselves for unnecessary scaremongering.

“Every private hospital, whether large or small, would prefer to be in contract with a large health insurer. Any decision to end a contract is not made lightly as they have significant consequences for the hospital. It is truly bizarre that PHA would wade into these negotiations with flagrant claims they can’t back up.”

Mr Roff also pointed AMA President Dr Omar Khorshid’s comments on the issue. Dr Khorshid said: private health insurers were ‘increasingly trying to use their market power to squeeze private hospital operators to improve their own bottom line’.

“Private hospitals are facing increasing costs, including strong increases in wages and other input costs. While COVID-19 delivered significant windfall gains for private health insurers private hospital operators faced the opposite with revenues being hit while costs have increased.”

Mr Roff called for PHA to apologise for trying to undermine confidence in the private health care sector.

“Bizarrely, PHA is acting against its own interests. They should be held to account, and they should apologise,” he said.

-ENDS-

Media contact: Frith Rayner, Director Communications and Marketing, 0413 971 999