

Private health insurance reforms

Gold/Silver/Bronze/Basic product categories	Private health insurance products will be simplified for consumers through the creation of easily understood categories of cover
Supporting mental health	The Government will introduce changes to make it easier for policy holders to access mental health services when they need it
Expert committee on addressing low value care	The Expert Committee on Addressing Low Value Care will provide advice to Government on options to eliminate or replace admitted mental health and rehabilitation services which deliver low value or inefficient care
Low priced private health insurance products	The Government has decided to maintain the current minimum product standards for private health insurance
Standard clinical definitions	Private health insurers will be required to use standard clinical definitions across all of their documentation and across all platforms
Improved access to travel and accommodation benefits for regional and rural Areas	Travel and accommodation benefits can be offered under hospital cover from 2019
Strengthening the powers of the Private Health Insurance Ombudsman	The Private Health Insurance Ombudsman will be able to conduct inspections and audits of private health insurers to ensure they meet their regulatory obligations in relation to private health consumers
Out-of-pocket costs	The Government will establish an expert committee to ensure a collaborative approach in determining the best model to make information on out-of-pocket costs charged by doctors more transparent and to help consumers with private health insurance better understand out-of-pocket costs
Information provision	The Private Health Insurance Ombudsman website privatehealth.gov.au will be redeveloped to improve the assistance it provides consumers to choose a private health insurance product that best meets their needs.
Discounts for 18 to 29 year olds	<p>From 1 April 2019, insurers will be able to offer discounted private hospital cover to people aged 18 to 29. Legislation currently prevents insurers from offering premium discounts to people on the basis of their age</p> <p>Insurers will be able to offer premium discounts on hospital cover of up to two per cent for each year that a person is aged under 30, to a maximum of 10 per cent for 18 to 25 year olds</p>

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<p>Prostheses List benefit reductions</p>	<p>Minimum benefits payable for almost all medical devices listed on the Prostheses List will be reduced on 1 February 2018 (reductions vary by category)</p> <p>The 2018 round of benefit reductions is estimated to save private health insurers \$188 million on prostheses expenditure in the 2018 premium year</p> <p>Further reductions to some devices' benefits will also occur on 1 February 2019 and 1 February 2020</p> <p>Total estimated savings to private health insurers over the next four premium years (2018 to 2021) are more than a billion dollars</p>
<p>Agreement between the Government and the Medical Technology Association of Australia</p>	<p>Improving time to market by reducing the evidence requirements for some devices and increasing listings on the Prostheses List from two to three times a year</p> <p>Assessing the expansion of the Prostheses List to include non-implantable devices such as high-cost cardiac catheters</p> <p>Continuing the reforms under the Prostheses List Advisory Committee's (PLAC) reform work with major reforms to commence from 1 February 2022</p> <p>Establishing a \$30 million med-tech and biotech grants program for small to medium size enterprises (SMEs) and researchers who partner with SMEs for activities that support the development of new and innovative device technologies, clinical trials and associated registries, researcher exchanges and workforce development</p>
<p>Increasing maximum excess levels</p>	<p>Maximum permitted excesses for private hospital insurance will be increased from \$500 to \$750 for singles and from \$1,000 to \$1,500 for couples/families</p>
<p>Removing coverage for some natural therapies</p>	<p>Cover for the following natural therapies will be removed from all private health insurance products: Alexander technique, aromatherapy, Bowen therapy, Buteyko, Feldenkrais, herbalism, homeopathy, iridology, kinesiology, naturopathy, Pilates, reflexology, Rolfing, shiatsu, tai chi, and yoga</p>
<p>Second Tier administrative reforms</p>	<p>The Government will make a number of administrative improvements to the second tier default benefit arrangements to streamline processes and reduce the administrative burden on both private hospitals and health insurers</p>
<p>Private patients in public hospitals</p>	<p>The government is consulting with the community on options to better support patient access to public hospitals. Options related to privately insured patients in public hospitals will be discussed with jurisdictions as part of the negotiations for the next National Health Agreement</p>

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Support for private hospitals	As part of the reform package the Government will make a number of administrative improvements to the second tier default benefit arrangements to streamline processes and reduce the administrative burden on both private hospitals and health insurers
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