

MEDIA RELEASE

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Private health insurers must not diminish access to mental health services with exclusive policies

Catholic Health Australia (CHA) is adamant that excluding mental health cover from silver and bronze level¹ private health insurance products would result in fewer options for some of the most vulnerable people in society.

A proposal to exclude mental health cover from anything but the most expensive insurance products was tabled at the third meeting of the Private Health Ministerial Advisory Committee, comprised of healthcare and private health insurance stakeholders.

The impact of mental illness in Australia is significant, costing \$8.5 billion in 2014/15 and comprising approximately 13 per cent of Australia's total burden of disease.

"An estimated 45 per cent of Australians will experience some form of mental disorder in their lifetime," said Catholic Health Australia's CEO, Suzanne Greenwood.

"This proposal to reduce or exclude mental health cover as part of reforming Australia's private health insurance sector suggests the interests of consumers are not at its core," said Mrs Greenwood.

As the government progresses its Private Health Insurance Review to ensure consumers are provided value for money, CHA is deeply concerned that if mental health cover is targeted, then some of Australia's most vulnerable will be the losers.

"If mental health is excluded from all but the most expensive policies, then only the wealthy would be able to purchase insurance products that cover mental health services – this would be an appalling, inequitable outcome," said Mrs Greenwood.

CHA is pleased that the new Minister for Health, Hon Greg Hunt MP, has identified the supply of necessary resources for mental health as a priority area for his term.

"Minister Hunt has said that watering down cover for mental health and palliative care services is not on the table regarding private health insurance reform and CHA welcomes the minister's comments," said Mrs Greenwood.

¹ In order to simplify private health insurance products as part of the Government's Private Health Insurance Review, it has been proposed they be categorised as either gold, silver, or bronze.



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Catholic Health Australia acknowledges that mental health expenditure is considerable. Of the \$8.5 billion spent nationally on mental health services in 2014/15, \$5.2 billion was spent on state and territory specialised mental health services and \$2.2 billion was spent on services for patients admitted to a public hospital.

“Consumers are already presenting to public hospitals despite having private health insurance, which is further adding to the burden on the public system,” said Mrs Greenwood.

“If we want to see an increase in the number of people taking up private health insurance, then insurance products must be fit-for-purpose, and not exclude a significant portion of our population.”

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Catholic Health Australia represents Australia’s largest non-government grouping of hospitals, aged and community care services, providing approximately 10 per cent of hospital and aged care services in Australia, including around 30 per cent of private hospital care as well as approximately 5 per cent of public hospital care.