

PHI-circulars & PHIAC-circulars published by the regulators (received since 28.04.2009):

- [PHI 23/09](#) and [PHI 24/09](#) provided hospital registration details.
- [PHI 25/09](#) advised changes to the subclass 457 visa program.
- [PHI 26/09](#) announced a study into the relative performance of the public and private hospital systems, and related data issues.

Communications from the Regulators:

- [PHIAC](#) released its health insurance industry statistics for the March quarter on May 17. The hospital insurance participation rate was 44.6% (Dec: 44.6%); coverage was up by 45,269. Another 6.9% of the population had some form of general treatment coverage with a private health insurer (Dec: 6.8%). Of the adult beneficiaries, 10.5% carried a LHC loading (Dec: 10.2%). The key percentages for hospital business are: contributors with FED/co-pay was 74.4% (Dec: 74.4%); membership that is single was up to 48.1% (couples were 22.4%, single parents 2.2%, families 26.2%, extended families 1.2%); persons who are 65 or over were 13.7% (Dec: 13.6%). Of the in-hospital medical services paid in the quarter, 84.9% had 'no gap' with a further 4.5% having a 'known gap' (Dec: 84.8% and 4.6%). From the statistics for benefit payments: \$1,442 m was paid for acute patient hospital services (77.0% of the days were in the private sector; 60.7% of admissions were same-day; overnight admissions' average length of stay was 5.42 days); \$316 m was paid for medical services; \$295 m was paid for prostheses; \$0.8 m was paid for hospital substitute treatment; \$2.0 m was paid for chronic disease management programs; and \$731 m was paid for ancillary benefits.

Miscellaneous News:

- The [2009-10 Budget \(Health and Ageing Budget Portfolio Statement\)](#), released on 12th May sets out the following key changes impacting the private insurance health industry:
 - From 1 July 2010, the Government will introduce three new 'Private Health Insurance Incentive Tiers' where it will put in place different levels of the Private Health Insurance Rebate and increase the Private Health Insurance Surcharge (formerly the Medicare Levy Surcharge) which effectively means-tests the private health insurance rebate ([article](#)).
 - Conversion of Medibank Private to a for-profit, government-owned business in early 2009-10. ([release](#), [release 2](#), [article 3](#)).
 - Individual insurer's average private premium increases and reasons to be published at the conclusion of each premium round. Responses released by [AHIA](#), [BUPA](#), [NIB](#), [Towers Perrin](#) comment on the anticipated impact of the proposed policy changes.
- [Health announced](#) it will provide over \$600m in the 2009-10 Budget to support Australians living with cancer (related [article](#)).
- [NIB](#) updated it's FY09 guidance, indicating outlook is better than previously advised.
- [AHIA announced](#) the number of high cost claims increased 11.6% last year, with the cost of claims rising 18% (related [article](#)).
- [NHHRC announced](#) the release of a supplementary paper stating the Commission's position that an electronic health record is arguably the single most important enabler of truly person-centred care (related [article](#)).
- [Health released](#) CHRE's Review of the Extended Medicare Safety Net.
- A recent [article](#) reported spending on mental health items covered by Medicare has soared by about 40% in the past two months.
- A recent [article](#) reported PHIO's Samantha Gavel, saying that rather than purchasing PHI on price alone, she would advise people, "to think about their own health needs and preferences" when deciding PHI cover (related [article](#)).
- A recent [article](#) reported that MPL's submission to the NHHRC said that market forces should be allowed to have a much greater influence in services for patients needing continued management and treatment for conditions like diabetes and obesity.
- [AHIA reported](#) 200,000 Australians have been discouraged from PHI by the MLS changes announced in last year's budget.
- A recent [article](#) reported the family of defence force personnel will be given free basic health care (related [article](#)).
- [Australian Unity](#) has won a [Canstar Cannex Innovation Excellence Award](#) in recognition of its market leading wellness benefits.
- A recent [article](#) reported HCF paid for a patient's cancer treatment even in the policy exclusion period.
- A recent [article](#) reported Greg Gardiner, HCF Chairman since 1988, passed away last week.
- [BUPA](#) announced Mr. Eric Dodd's resignation as a non-executive director from the board. (related [article](#))
- A recent [article](#) reported that an increase in unemployment may be the cause of an unexpected increase in Medicare claims for mental health consultations.

Forthcoming Health Events:

- May 31, 2009 in Melbourne – AMA National Conference - [website](#)
- July 3-6, 2009 in Brisbane – I.A.A.S 8th International Congress on Ambulatory Surgery – [website](#), [registration](#)
- July 28-29, 2009 in Sydney – Informa 8th Annual Health Insurance Summit – [website](#), [agenda](#), [register](#)
- October 8-9, 2009 in Hobart - Australian Healthcare and Hospitals Association Congress – [registration of interest](#)
- November 10-12 2009 in Melbourne - AHIA National Conference 2009 - [website](#)

Reports, Publications and Other Technical Hints:

- ABS (2009) National Health Survey - ; ABS – ([report](#))
- AIHW (2009) *Report on the evaluation of the National Minimum Data Sets for Elective Surgery Waiting Times* Canberra; AIHW – evaluation of utility and compliance questions the definition of elective surgery ([report](#)).
- AIHW – ([report](#)) prepared by the NISU at Flinders University in Adelaide covers about 100 deaths each year.
- ABS (2009) *6401.0 Consumer Price Index Australia March quarter 2009* Canberra: ABS – the CPI increase is 2.5% ([CPI](#)).
- PHIO (2009) *Quarterly Bulletin No 50 January-March 2009* Sydney: PHIO ([QB50](#)) – covering: Complaint statistics; Premium increases and [www.privatehealth.gov.au](#); 2008 State of the Health Funds Report; PHIO Complaint Review and Escalation Process; Fund response time for Level 3 Complaints (disputes); Membership Suspension due to financial hardship.
- The MCHP website includes some of the seminar [presentations](#) from the NHHRC Option C seminar held on April 15.

The [Institute](#) wishes it to be understood that any opinions put forward in this publication are not necessarily those of the [Institute](#).

[Glossary](#) shows the common acronyms for the registered benefits organisations & links to their websites (where available) and also provides a table of acronyms used in this newsletter, and links to other entities (corporations) and legislation.