

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS INSURANCE SECTOR

Medibank

MED01QW: In the period January 2019 to June 2020, per month:

- a. How many elective surgery procedures were covered, in each category (ie in Category 1-3 of elective surgery)?
- b. What was the amount of benefits paid out to policy holders for elective surgery procedures, in each category?
- c. How many claims were made for elective surgery procedures, in each category?

Answer:

Elective surgeries are classified into three categories in the public hospital system. The categorisation system is used in public hospitals for triage purposes only.

The private health insurance system does not use the Category 1, Category 2 or Category 3 system to classify elective surgeries and consequently this type of data is not submitted by hospitals when they bill Medibank for our customers' surgeries.

Medibank is therefore unable to provide data on the number of elective surgeries by Category 1-3, the amount of benefits paid by Category 1-3, or how many claims were made for elective surgeries in each Category 1-3.

Medibank's 2019-20 financial result, including data on claims, is publicly available [here](#).

Medibank does note that while the Commonwealth's six-week suspension of elective surgeries in response to the initial onset of COVID-19 resulted in fewer claims, surgeries were postponed, not cancelled. We expect a claims catch-up to occur and in fact claims have bounced back quickly. Additionally, the private health insurance industry has unequivocally committed to returning any permanent 'savings' from COVID-19 to customers. This is a commitment the industry and Medibank have stated publicly and to regulators. We will stick by this promise.

It is also worth noting that the industry regulator APRA has said that the vast majority of surgeries and extras services disrupted through COVID-19 will ultimately take place.

To date, private health insurers have returned around \$500 million to customers.

Medibank's COVID-19 customer financial support package is valued at more than \$185 million and we have also supported our people and our employees. For our employees we introduced two weeks paid COVID-19 leave and committed to work hard to not stand down any employee as a result of COVID-19. And we have not accessed any taxpayer funded government relief during COVID-19. We also donated \$5 million to Beyond Blue for its new COVID-19 Mental Wellbeing and Support Service.