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9 April 2015

Committee Secretary  
Senate Standing Committees on Community Affairs  
Parliament House  
CANBERRA ACT 2600

Dear Committee Secretary,

**Inquiry into the Private Health Insurance Bill (No.2) 2014**

Thank you for the opportunity to make a submission to the Senate Community Affairs Legislation Committee's inquiry into the Private Health Insurance Bill (No.2) 2014.

Among other measures, the Bill amends the *Ombudsman Act 1976* and the *Private Health Insurance Act 2007* to give effect the Government's decision to transfer the functions of the Private Health Insurance Ombudsman to my office.

The Commonwealth Ombudsman oversees Australian Government agencies and prescribed private sector organisations, and provides access to justice through accessible, effective and targeted complaints handling and investigation services.

My office exists to provide assurance that the organisations we oversee (both public and private sector) act with integrity and treat people fairly. We seek to influence enduring systemic improvement in public administration in Australia and the region and, where necessary, administration within private sector organisations subject to our jurisdiction.

The Commonwealth Ombudsman is also the Overseas Students Ombudsman, dealing with complaints from international students studying with private education providers; and the Postal Industry Ombudsman, dealing with complaints about postal service operators. Accordingly, my office has extensive experience in complaint handling in both the public and private sectors.

The transfer of the Private Health Insurance Ombudsman function to my office will ensure that complaint handling for private health insurance consumers can draw on the experience, scale and geographic presence of my office.

To this end, the Bill will provide me with functions and powers with respect to private health insurance in substantially the same terms as those exercised by the Private Health Insurance Ombudsman today. The small changes that have been made are designed to ensure that the new function fits seamlessly into the broader legislative framework of my office and to reflect the statutory independence of the Commonwealth Ombudsman. I am confident that the Bill provides an appropriate framework within which my office can operate.

I am also comfortable that sufficient resources have been allocated to my office to properly discharge the new function. I look forward to welcoming the existing staff of the Private Health Insurance Ombudsman to my office.

While there will undoubtedly be efficiencies arising from this change, I have stressed to health consumers and the private health insurance industry that I do not intend to radically alter the very successful working model implemented by the Private Health Insurance Ombudsman to date. The staff of both agencies are working hard to ensure that, from the perspective of consumers and the industry, it will be business as usual through the transition from the Private Health Insurance Ombudsman as a separate agency to being part of my office.

I would be happy to provide any further information that would be of assistance to the Committee's inquiry.

Please feel free to contact me or my deputy, Richard Glenn

Yours sincerely

Colin Neave  
Commonwealth Ombudsman