toothpaste
FAMILY DENTISTRY

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Senate Inquiry into the value and affordability of private health insurance and out-of-pocket medical costs

Terms of Reference:

The value and affordability of private health insurance and out-of-pocket medical costs, with particular reference to:

(a) the effect of co-payments and medical gaps on financial and health outcomes;

(b) private health insurance product design including product exclusions and benefit levels, including rebate consistency and public disclosure requirements;

I am a general dental practitioner and principal of a practice in the Gold Coast (Toothpaste Family Dentistry). I have been practising here for 7 years and recently opened my own practice 16 months ago. My previous practice was a preferred provider for many of the larger health funds. While working there I developed an extremely loyal patient base with over 800 patients having followed me to my new practice. I have applied to be a preferred with all health funds at my new practice but only one has consented, the rest citing that there are already too many in the area.

The main issue arising from health funds controlling preferred providership and their own dental corporations is the disparity in rebates offered. For example, a patient followed me from my old practice requiring an extraction (code 311). Although I

charge the same price at my own practice as that charged at my previous, she was going to receive a $43 rebate with me as opposed to $97 at my old one.

This is now a fairly typical situation where a large number of my patients are being financially disadvantaged for wanting to see me. Although these patients are paying their premiums they do not have the freedom to choose who they will see as they will be financially penalised for not going where their health funds want them to go.

This issue is exacerbated by the larger funds owning their own dental corporations and encouraging their clients to go to these with higher rebate incentives, thereby being able to pay the rebates and the patient's co-payments, back into their own pockets.

The unethical, financially motivated nature of this arrangement could easily be prevented by either:

1) Allowing all practices that wish to become preferred providers to do so, providing they comply with the pricing and certification requirements of that health fund.

2) Ensuring that all health fund rebates will be consistent no matter which provider they would like to see; i.e. the patient should get the same rebate for any given treatment code whether they are being seen by the most expensive practitioner in the country or the cheapest.

Yours Sincerely

Dr Thomas Morrison BDS Newc.