

Senate Community Affairs References Committee
Response to Question on Notice
Public hearing, 31 October 2017
Australian Dental Association

Question 33

Hansard page reference: 24.

Senator DI NATALE: If you have a relationship with a dentist you might think, 'Hang on, I've got private health insurance; I've got extras cover.' The next thing you know is that you've got this whopping big, out-of-pocket cost. If the insurer then says, 'That's because your dentist is charging too much,' that's pretty serious stuff.

Dr Sachs: It is. That's a significant factor behind the reason why we want the same rebate, the same treatment and the same policy.

Senator DI NATALE: Do you have evidence that that's actually occurring, that patients are being told by the private health insurer that it's—

Dr Sachs: We do. We can certainly provide that to the committee.

Response

The ADA is aware of countless examples where health funds have told patients that their current independent dentist is “too expensive”, or have otherwise inferred that their dentist is “ripping them off” in some fashion.

This tactic is sometimes used by health funds as a means of shifting blame for the high out of pocket costs the patient has already incurred away from the low rebate paid by the fund. However, it is more commonly used when the patient calls the fund to ask about applicable rebates prior to commencing treatment, as a means of steering the patient towards a contracted dentist.

As examples of the widespread experience dentists have with these health fund practices, the ADA draws the Committee's attention to:

- Complaint #4 and Complaint #15 from ADA members included in Appendix 1 to the ADA's submission to the Inquiry (p.57, p.68).
- The first-hand experience of these practices mentioned by dentists in their individual submissions to this Committee Inquiry – see submission numbers 98, 100, 134, 135, 141, 147, 188, 164, 188, 194, 215, 230 and 231. Note that several of these dentists (submission's 100, 134, 141, and 164) *also* point out that contrary to assertion often made by health funds, the treatment fees charged by their practices are lower, the same, or very close to those charged by contracted dentists.
- An observation made in submission 112 to this Inquiry, which was lodged by a dentist who mentions that he works in a fund-contracted dental clinic:

“Rebate consistency is completely out of balance depending on who the health fund provider wishes their patients to see. I have had patients tell me that the health fund says that practitioners who are not a part of their “preferred provider” scheme charge more and that is why there is a larger gap. I work at a preferred provider clinic and have seen some of the treatment plans which are brought in by patients and the other clinics fees can be actually lower than the ones set by some health funds. The only difference being that health funds will pay more rebate when patients see either a dentist who is signed up to their scheme, or even at a clinic which they own. Their deception regarding clinic prices leads the patient to believe they are being “ripped off” by anyone who is not a preferred provider. Health funds then direct patients to their own clinic or a preferred provider. What’s worse is that the health fund will not allow any new clinics to join the preferred provider scheme as they say they are full. I have worked at non-preferred provider clinics that wished to join the scheme so that they may offer their patients a greater rebate but it was not an option.”