

LIST OF RECOMMENDATIONS

Recommendation 1

5.11 The committee recommends that the Commonwealth Government undertake an evaluation of the value provided by 'basic' policies as a fourth product category (Gold/Silver/Bronze/Basic). Following that evaluation, the Commonwealth should determine whether consumers are best served by a three-tier or a four-tier product categorisation system.

Recommendation 2

5.18 The committee recommends that the Minister for Health require private health insurers to publish all rebates by policy and item number.

Recommendation 3

5.23 The committee recommends that the Minister for Health instruct the Department of Health to publish the fees of individual medical practitioners in a searchable database.

Recommendation 4

5.26 The committee recommends that the Commonwealth Government ask the appropriate body (such as the Australian National Audit Office, Department of Health, Australian Prudential Regulation Authority, Australian Competition and Consumer Commission or the Private Health Insurance Ombudsman) to report in 12 months on whether the benefits from the Prostheses List reforms are being passed on to consumers.

Recommendation 5

5.29 The committee recommends that the Commonwealth Government provide additional funding to the Private Health Insurance Ombudsman to enable it to widely promote its upgraded website and comparison service to consumers.

Recommendation 6

5.34 The committee recommends that all state and territory governments review policies and practices regarding private patient election to ensure that all patients can provide informed financial consent.

Recommendation 7

5.35 The committee recommends that the Commonwealth Government and state governments ensure that public hospitals provide equality of access for public and private patients based only on clinical need and not on insurance status.

Recommendation 8

5.37 The committee recommends that the issue of private patient adjustments be considered in the context of negotiations on the next National Health Agreement, consistent with the Minister's broader approach.

Recommendation 9

5.41 The committee recommends that the Commonwealth Government consider extending the Broader Health Cover provisions of the *Private Health Insurance Act 2007* on the basis that such services, if offered, do not undermine the universality of Medicare by creating a two-tiered primary health care system, do not inflate costs for the Commonwealth by introducing another payer, are provided on a comprehensive basis and do not delay treatment or lead to greater out-of-pocket costs.

Recommendation 10

5.42 The committee recommends that the Commonwealth Government review current regulations to allow private health insurers to rebate out-of-hospital medical treatment where it is delivered, on referral, in an out-patient, community or home setting.

Recommendation 11

5.44 The committee recommends that private health insurers engage in negotiations with private hospitals and paediatric dentists to urgently resolve the issues surrounding paediatric dentistry.

Recommendation 12

5.47 The committee recommends that the Commonwealth Government amend relevant legislation to prohibit the current practice of differential rebates for the same treatments provided under the same product in the same jurisdiction.

Recommendation 13

5.49 The committee recommends that the Australian Competition and Consumer Commission reconsider whether private health insurers' use of data obtained from the Health Industry Claims and Processing Service is anti-competitive.

5.50 The committee also recommends the Commonwealth Government amend relevant legislation to ensure there is a clear delineation between data obtained from the Health Industry Claims and Processing Service and data used by health insurers competing for services against other non-preferred providers. This should extend to a requirement that such data be maintained strictly and separately and that private health insurers should be prohibited from using data gained through claims processes for commercial gain.

Recommendation 14

5.52 The committee recommends that the Commonwealth Government require intermediaries to disclose any commissions received from private health insurers for the service.

Recommendation 15

5.53 The committee recommends that the Commonwealth Government amend relevant legislation to require all private health insurers disclose executive remuneration and other administrative costs.

Recommendation 16

5.55 The committee recommends that the Minister for Health amend the legislation to require private health insurers to provide adequate written notice of changes to policies and eligibility to allow consumers to consider alternatives, and that this notice clearly communicates changes to the policy that may affect the insured person's coverage, especially where such changes may be detrimental. Where relevant, the notice period should correspond to the eligibility period for any service or treatment affected by the changes.

Recommendation 17

5.60 The committee recommends that the Private Health Insurance Ombudsman advise the Minister for Health in 2019 on additional measures that could be introduced to make private health insurance easier to understand that are in addition to significant reforms being introduced in 2018 and 2019.

Recommendation 18

5.61 The committee recommends that the Australian Competition and Consumer Commission, in consultation with the Private Health Insurance Ombudsman, commence work to establish a new code of conduct that will provide the framework for engagement between private health insurers and healthcare providers.

Recommendation 19

5.62 The committee recommends that the Minister for Health write to the Private Health Insurance Ombudsman to request advice on the disclosure of limitations to treatment type or frequency which may arise from contract arrangements with individual hospitals or providers that impact on members' access to services and out-of-pocket costs.