

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Budget Estimates 2014 - 2015, 2/3 June 2014**

**Ref No: SQ14-000670**

**OUTCOME:** 6 - Private Health

**Topic:** Private Health Insurance Ombudsman Merger

**Type of Question:** Written Question on Notice

**Senator:** McLucas, Jan

**Question:**

What is the quantum of savings to government resulting from the decision to merge the PHIO into the Commonwealth Ombudsman? What are these savings generated from or caused by?

**Answer:**

There are no savings to Government resulting from this measure.

The Private Health Insurance industry funds the Private Health Insurance Ombudsman through cost recovery arrangements. There will be a reduction in the cost recovery levy as a result of this measure, but the exact quantum will be determined as the transition proceeds.