

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2017 - 2018, 29 May 2017

Ref No: SQ17-000711

OUTCOME: 2 - Health Access and Support Services

Topic: Mental Health

Type of Question: Written Question on Notice

Senator: Siewert, Rachel

Question:

Is the Government concerned that individuals will be deterred from seeking mental health services, specifically through the Better Access initiative, as a consequence of the difficulty of later accessing income protection insurance?

Answer:

The Australian Government is aware that some individuals may be deterred from seeking mental health treatment and services due to some insurance agency policies that limit cover for people with a history of mental illness. It is important that people with mental illness receive an appropriate level of care when and where they need it, based on the needs of the individual.

The Department of Health is aware that beyondblue has provided a submission to the *2017 Senate Economics References Committee – Inquiry into consumer protection in the banking, insurance and financial sector*, which can be downloaded from their website at www.beyondblue.org.au.

The Australian Securities and Investments Commission is the independent government body that enforces and administers corporate and financial services law and has responsibilities for consumer protection in relation to life and general insurance. The Australian Prudential Regulation Authority (APRA) is the prudential regulator of the Australian financial services industry, including life insurance, private health insurance and general insurance companies.

The Department administers the *Private Health Insurance Act 2007*, which requires Australian private health insurers to offer community-rated health insurance. Community rating ensures that the premium paid by consumers for a private health insurance policy does not vary based on age or health status. This prevents private health insurers from discriminating between people who require more services and are more vulnerable to health expenses. The Private Health Insurance Ombudsman protects the interests of private health insurance consumers by dealing with complaints from health fund members, health funds, private hospitals or medical practitioners. Complaints must be about a health insurance arrangement.