

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Supplementary Budget Estimates 2016 - 2017, 19 October 2016**

**Ref No:** SQ16-000423

**OUTCOME:** 4 - Individual Health Benefits

**Topic:** Premiums

**Type of Question:** Hansard Page 65 19 October 2016

**Senator:** Di Natale, Richard

**Question:**

Senator DI NATALE: Yes, I know, but just as a ball park figure. What is the average increase in premiums? Doesn't it go up by about six per cent?

Mr Bowles: About six per cent.

Senator DI NATALE: What is the average premium worth?

Mr Bowles: We would have to take that on notice.

Ms Jolly: It would be very hard to determine what an average premium product would be because it would vary according to quite a lot of factors.

Senator DI NATALE: I am talking about an average: just the average cost per premium.

Ms Jolly: We will take that on notice.

**Answer:**

There are many different health insurance policies in the market place (currently around 50,000) with a wide range of features and coverage, including products for singles and families. In 2016, across this wide range of policies, the average monthly premium was \$303.10. If eligible for the rebate, the average cost to the consumer was \$221.90.

A Lifetime Health Cover loading amount of 2% per year may also apply if the consumer has not taken out private health insurance before their 31st birthday.

Summaries of premium increases from 2010 onwards and a guide to the premium approval process can be accessed on the Department of Health's website.

<http://www.health.gov.au/internet/main/publishing.nsf/content/privatehealth-average-premium-round>