

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**SUPPLEMENTARY BUDGET ESTIMATES 2012-2013**

**Finance and Deregulation Portfolio**

**Department/Agency:** Medibank Private

**Outcome/Program:** General

**Topic:** 30 per cent rebate

**Senator:** Cormann

**Question reference number:** F3

**Type of question:** Hansard, F&PA Committee, Page 10, 16 October 2012

**Date set by the committee for the return of answer:** Friday, 30 November 2012

**Number of pages:** 1

**Question:**

**Senator CORMANN:** On notice, could you tell us what the dollar value of the discount effectively has been across these 100,000 people?

**Mr Savvides:** I guess that is a calculation we can do.

**Answer:**

Medibank does not have the necessary information with respect to the income levels and rebate entitlements of its members electing to prepay that would allow for a calculation of the discount from members' prepayments. The net benefit to Medibank of earning interest on prepaid premiums, less the cost of income forgone due to rate protection, is approximately \$3 million.