

28 / 6 / 2016

## Stoush between private health insurers and health professionals including dentists, physios and optometrists prompts calls for Senate inquiry and reform:

# THE TOOTH HURTS

A Senate Inquiry and legislative reform has been foreshadowed to ensure that health professionals and millions of patients aren't treated unfairly by private health insurers.

Senator Xenophon has received complaints from health professionals who are affected by private health insurer's practices. The professions affected include dentists, physiotherapists, optometrists and podiatrists and their patients.

"Health professionals are demanding rebate equality as currently insurers provide discriminatory rates of rebates between patients attending the health provider of their choice and those who are contracted as 'preferred providers'," Nick said.

For some time, insurers have used data from independent health professionals without the consent of the practitioners. More recently insurers have also used the data from 'preferred providers' to direct them to their own clinics – which many professionals see as a conflict of interest.

"I'm a great believer of a strong private health insurance system – you need a healthy balance between private and public systems," Nick said. "But these practices by some insurers are not only sharp and unfair but they smack of an abuse of market power. If unchanged it will lead to less patient choice, reduced rebates and ultimately increased premiums – all of which could compromise the quality of patient care."

Senator Xenophon said he would, if re-elected, as a precursor to legislative reform, seek a Senate inquiry into:

- The discriminating nature of rebates between so-called preferred and non-preferred providers;
- Simplification and transparency of health insurance policies;
- The appropriateness and inherent conflicts of insurers also directly providing services;
- The short and long-term impacts of current practices on the continuity and quality of patient care.

"In a sense the pressure on private health insurance as a result of the Gillard Government in 2012, especially on extras cover, has triggered a chain of events that is bad news for both patients and health professionals," Nick said.

Senator Xenophon said he was committed to working with private health insurers to ensure greater transparency and better value for prostheses costs, which are hitting consumers up to \$150 per year per policy when compared to the cost of such medical devices overseas.