

8 November 2016

Medibank achieves the most complaints in history

The Private Health Insurance Ombudsman has announced that Medibank achieved the most complaints of any health insurer in any quarter of its 20 year history in the quarter to 30 September, 2016. It was responsible for 61% of the 1683 complaints from all funds in the quarter to 30th September, 2016! (*The Age, 6 November, 2016*)

Medibank lost 225,000 customers in the last financial year. It attributes this sad state of affairs to technical issues associated with the change of its computer system but it had other well documented failures leading to complaints concerning other cuts to benefits that its customers had every right to believe they had paid for.

BUPA

There were also serious complaints about BUPA rejecting claims for alleging pre-existing conditions despite the claims not review as required by them, by medical advisers.

Willie Sutton

This American bank robber of the 1930's was eventually captured and when asked why he robbed banks, Sutton reportedly looked at his questioner in amazement and said "That's where the money is!"

Dentist keep asked why Medibank, BUPA, NIB and HCF skim 22% off the top of the top of extras premiums, paying out only 78% in the dollar which is an outrageous ratio. Why? Answer? "That's where the money is". It is much easier to make money by manipulating extra's policy schedules then they can achieve with hospital cover because it is far more difficult to control claims related to hospital cover as serious illness and accident cannot be prevented.

Since dental treatment is 50% of extras cover it is dental patients who bear the brunt of propping up the financial results of health insurers.

Effective action against Health Funds who rip off their customers

It appears that Willie Sutton has been reincarnated and taken up employment in Australia as an executive in charge of a large health fund.

No actions other than dentists acting alone or in conjunction, will have anywhere near the impact that a large number of dentists advising patients to drop extras cover or transfer to a smaller fund is going to have on the behaviour of the big private health insurers.

In reality, the term "Health Insurance" is a misnomer. We insure against major disasters, not to put money into an insurance pool to get a tooth crowned or buy a new pair of spectacles. Overwhelmingly, patients are better off not belonging to the extras portion of a health fund, but leaving the extras premium in the bank to pay for dental and spectacles as they need them.

Regards to all dentists

Graham Middleton

SYNSTRAT SERVICES

Synstrat provides Accounting, Financial Services, Business Advice, Financial Advice and practice valuation services to Dentists.

Contact Graham Middleton or if I am immediately unavailable, Jenny O'Brien on (03) 98437777 who will arrange a time to discuss. We will then contact you to discuss your needs. Obviously if significant services are involved, then charges will apply. These include fees for consultations with Graham Middleton once the need is defined.

We are happy to discuss our charges on contact.