

Relax! You can change health funds anytime

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Consumers need not panic about locking in their preferred health fund by Saturday when higher premiums take effect, the Consumers Health Forum says.

“Given the widespread angst generated by the average 4.8 per cent rise in premiums from 1 April, consumers might think they have to finalise their fund choice right now,” the Consumers Health Forum CEO, Leanne Wells, said.

“In most cases they should be able to change from one fund to another with one month’s notice without facing any financial penalty.

“In fact fund members are not locked into any one fund for a year. Even if they have paid a year’s premium upfront, they can be reimbursed the outstanding amount if they change funds.

“So consumers should not feel rushed into making decisions about their health fund.

“With typical families facing annual premium costs of \$4,500 and the complexity of decisions about what sort of policy to get, consumers would be wise to take their time about whether to stay with or change funds.

“Importantly people should carefully consider their own, and if applicable, their families’ particular health needs when choosing their policy package.

“As it is there are health funds which have so far failed actively to alert their members of premium rises, expecting members to find out by logging into their online details.

“This is not good enough, particularly when health insurance has been widely criticised for the confusion and uncertainty surrounding what policies actually cover.

“As well there will be many common policies where premiums have increased by substantially more than the average, consumers have reported. So consumers should have a clear idea of premium levels before making a final decision.

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Consumers shaping health

“The Consumers Health Forum has argued for many months that health funds should be required to be more accountable in return for the billions of dollars in rebates they receive, financed by the taxpayer.

“Policies need to be simpler, more comparable one with another, and there needs to be more transparency about what health funds actually pay to private hospitals and specialists.

“Health fund policies that fail to meet such criteria should not be eligible for the rebate,” Ms Wells said.

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