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Superannuation plundered to pay medical bills

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The rising use of superannuation funds to meet high medical bills is a disturbing sign of the deepening impact out of pocket medical costs are having in Australia, the Consumers Health Forum says.

“That an increasing number of people are having to dip into their super early to ensure they can get the medical treatment they need underlines the twin failure of Medicare and health insurance to meet increasing medical costs,” the CEO of the Consumers Health Forum, Leanne Wells, said.

“High out of pocket costs, running into thousands of dollars for many patients, are contributing to the widening gap of two-tiered medicine where access to medical treatment is dependent on your means rather than need.

“We fear that what we are seeing is a public health system is not keeping up with demand, an erosion of the universality of Medicare and an ever-increasing shift in costs to people at a time when out-of-pockets costs in Australia are among the highest when we are compared to other OECD countries.

“We also fear that choice is being taken out of healthcare with many people feel they have no option but to take up private health insurance even when they are stretched to afford it. They do not want to wait years for their operation”.

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Consumers shaping health

“The reality is that actual medical fees for almost all medical procedures far outstrip the benefits paid by Medicare and even where people have health insurance, they can still face gaps of thousands of dollars.

“At a time of near zero growth in wages, lower employment opportunities for older Australians and their increasing dependence on superannuation, having to draw on their nest egg for medical bills is unacceptable.

“The Government has recently announced an expert committee, including the Consumers Health Forum, to consider the issue of high out of pocket costs – a move we have welcomed.

“The Consumers Health Forum is pressing for greater transparency on medical fees.

“We have been calling for some time the public listing of individual medical fees on an authoritative website so that consumers can quickly ascertain what fees they might face and compare them if possible with those of other specialists.

“We have also been calling for a single quote so that, upfront, people can see the total expenses they will need to meet prior to consenting to an operation or procedure.

“Out of pockets represent one of the big health challenges facing Australia and we need action now to ensure people can get and afford the treatment they need,” Ms Wells said.

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