

Bundled hospital bills a better way

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A single bundled bill to cover all private hospital costs, including the surgeon's fee would be a significant step towards clearing a way through the complex, multiple bills that bedevil the private system, the Consumers Health Forum says.

The single bill mechanism has been proposed in new report today from the Grattan Institute as part of changes to reduce private patient costs and improve transparency for consumers, the CEO of the Consumers Health Forum, Leanne Wells, said.

"As the report says, patients have little power to negotiate; they are at their most vulnerable and most trusting when dealing with their specialist so the 'egregious billing' by some private specialists needs to be challenged by a more powerful entity: the private hospital.

"Private hospitals should issue a single bill for each patient, covering all the costs of treatment – including doctors' costs – and the hospital should be responsible for informing the patient in advance of any extra costs they will face.

"The Grattan report, led by Professor Stephen Duckett, has been released just as the Health Minister, Greg Hunt, is reported to be considering extending private insurance coverage to some current in-hospital care services that could be better administered out of hospital. These could include post-operative rehabilitation, mental health care and chemotherapy.

"We would support such changes that would deliver a better outcome than restricting insured services to hospitals. However, we firmly oppose extending private insurance cover to GP services as that would undermine the universal access to primary care provided by Medicare. The suggestions for changes to health insurance once again bolster our call for a Productivity Commission inquiry into government support for health insurance.

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Consumers shaping health



“The difficulty for the consumer at the moment is that the myriad of different bills often charged for a single episode in a private hospital makes it very difficult for patients to understand, let alone compare costs.

“A single bill would impose more discipline on a sector whose prices now vary dramatically.

“The idea of hospitals taking responsibility for a single bill including the surgeon’s and anaesthetist can be expected to prompt claims of ‘managed care’ by the medical profession.

“But given the heavy costs of care imposed on often fraught patients and the lack of any real performance measures, is it not time for the imbalance to be corrected?

“At the moment it is the patient who is expected to bear all the risk of high unexpected costs. It is time for private hospitals and doctors to adopt 21st century standards of transparency and consumer care.

“At a time when the future is looking bleak for private health insurance, it is clear that significant change is needed in private billing. A bundled hospital bill is a step forward,” Ms Wells said.

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