

# Health insurance needs deep diagnosis

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The calls for yet further tinkering with health insurance to make it more attractive to already financially-stretched young people highlight the need for a thorough rethink, the Consumers Health Forum said today.

The latest official statistics confirm the continuing decline in member numbers while the impact of COVID is exerting fresh strains on the economics of the private health sector.

“The falling demand for health insurance combined with the profound changes to the health system wrought by COVID present challenges that will not be fixed by seeking cash-strapped twenty-somethings to sign up,” the CEO of the Consumers Health Forum, Leanne Wells, said.

“The current state of affairs makes ever more pressing our repeated call over many years for a Productivity Commission inquiry to take a whole-of-system look at health and the role played by heavily subsidised private health insurance.

“The pandemic has accentuated the unequal access to health care and social support between the haves and the have nots. The scrambling for more support for health insurance at this time tells us there are deeper issues of access to health care that need to be fixed.

“The calls for changes to make health insurance more attractive to young people are coming from a sector which already receives many billions of dollars a year in subsidies.

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Consumers shaping health



“The latest figures show a marked fall in the percentage of young adults in their 20s with private cover. Many young people would be at best ambivalent about taking on health insurance when they are already struggling to make ends meet in a poor jobs market.

“Young health consumers tell us that they are concerned about inefficiencies and inequities in access to health care, that they don’t have the means to afford insurance and question the notion of choice of care when they would not be able to afford the possible out of pocket costs of private treatment,” Ms Wells said.

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