

# PRIVATE EYE

## WEBSITE DETAILS

The Ombudsman's web site outlines the details and workings of the Ombudsman's office, its jurisdiction and background information on private health insurance. It also provides links to health funds and health and consumer-related organisations.

The web site now includes details of a recent independent survey of the inquiry and dispute resolution service provided by the Private Health Insurance Ombudsman. The survey compared the operation of the Ombudsman's dispute resolution service with appropriate benchmarks - Accessibility, Fairness, Efficiency, and Effectiveness. It found high levels of consumer satisfaction for features such as level of formality (86%), time taken to deal with disputes (76%), the performance of staff (76%) and independence (72%).

Complaints and inquiries can be made through the web site, which includes the appropriate forms and explanations of the required information.

The web site address is: <http://www.phio.org.au>

Site Co-ordinator **Sasha Andrews** can be contacted on: (02) 9261 5855 Ext. 103.



## Private Health Insurance OMBUDSMAN

The Private Health Insurance Ombudsman is available to answer questions and investigate complaints.

A series of brochures is available to provide information for anyone considering taking out private health insurance, changing policies or changing funds.

They include The Private Patients' Hospital Charter, PHIO's Service Charter, Insure Not Sure A Quick Guide to Private Health Insurance, A Consumers' Health Forum Explanation of Medical Fees, called 'When the doctor's bill makes you ill', The Ten Golden Rules of Private Health Insurance, Who We Are and Making A Complaint. The last brochure is also available in 6 community languages.

The Ombudsman receives complaints through a Freecall Hotline and Internet site.

### CONTACT POINTS FOR THE OMBUDSMAN ARE:

Private Health Insurance Ombudsman Hotline:	1800 640 695
Monday-Friday 8.30am-5.00pm. (Sydney Time)	
Private Health Insurance Ombudsman Internet	<a href="http://www.phio.org.au">http://www.phio.org.au</a>
If you would like to be included on our mailing list, please contact:	<b>Sasha Andrews</b> (02) 9261 5855
e-mail:	<a href="mailto:info@phio.org.au">info@phio.org.au</a>

The Ombudsman encourages complainants to make contact by phone - complaints do not need to be in writing.

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This is issue 11 of a previously limited distribution publication called the (Complaints Commissioners') Quarterly Bulletin. Issues 1 - 7 are available at the Ombudsman's website.

## CONSUMER HEALTH INFORMATION

### THE 15 QUESTIONS YOU NEED TO ASK

There's no shortage of information about health - the big question is: how reliable is it? To help sort fact from fiction, the British group DISCERN, funded by the British Library and the National Health Service, has put together a booklet which explains how to assess consumer information about health. It offers 15 questions consumers should ask themselves that can also be applied, with a little modification, to discussions with doctors, hospitals and health funds.

#### QUESTION 1:

Are the aims of the publication clear? Any publication of value tells you its *raison d'etre* up front. This helps you decide whether or not the publication is relevant to you.

#### QUESTION 2:

Does it achieve its aims? That's an assessment you can make only by referring back to the stated aims. If it doesn't do what it says it will do, you'd have to wonder about the quality of the rest of it.

#### QUESTION 3:

Is it relevant? Publications should be inclusive, and relevant to the way you live your life. If it assumes that all women have children and all men have jobs or that everyone with arthritis is over 60, it's going to lose a lot of readers from the start.

#### QUESTION 4:

Is it clear what sources of information were used to compile the publication, other than the author or producer? Publications that explicitly state where they gathered their information are likely to have explicitly gathered information. Publications that don't seem to have any obvious sources of information may be based on research, or they may be based on that curious mix of fact, irrational belief, baseless conviction and half remembered anecdote that inhabits so many writers' brains.

#### QUESTION 5:

Is it clear when the information used or reported in the publication was produced? Not much medical research from the 1960s and 70s survives unchallenged, or unimproved. Beware any data either ageless, or older than you.

#### QUESTION 6:

Is it balanced and unbiased? It shouldn't promote one particular direction but should raise options.

#### QUESTION 7:

Does it provide details of additional sources of support and information? No one publication knows it all or can say it all.

#### QUESTION 8:

Does it refer to areas of uncertainty? Any publication that provides all the answers is inherently intellectually dishonest. Doubt exists in all areas of health and needs to be acknowledged.

#### QUESTIONS 9, 10, 11:

Does it describe how each treatment works? Does it describe the benefits of each treatment? Does it describe the risks of each treatment? Some publications assume the reader will have a treatment and describe only how it will work. Others assume readers want to know benefits but nothing else. Too few mention risks. Many consumers want to know it all.

#### QUESTION 12:

Does it describe what would happen if no treatment is used? This is vital. For many conditions, doing nothing is a viable option.

#### QUESTION 13:

Does it describe how the treatment choices affect overall quality of life? Illness and treatments affect not just your symptoms, but your day-to-day life. That can be just as important, or more so, than whether your arm hurts or not.

#### QUESTION 14:

Is it clear there may be more than one possible treatment? We have choices in everything. Even with serious conditions there is a choice. That's why courts keep upholding the rights of Jehovah's Witnesses to refuse blood transfusions. If they would rather die, that is their choice. We need to know the choices.

#### QUESTION 15:

Does it provide support for shared decision making? Based on different studies, 30 to 60 per cent of us want our doctors to decide what to do. Between 20 and 40 per cent want it to be a shared decision. And 10 to 20 per cent of people want to make their own decisions about healthcare. A good publication provides enough information so that those wishing to take part in the decision making process, or even to decide on their own, can do so safely and wisely.

From an article by Mark Ragg. Reprinted with permission from the Weekend Australian newspaper.

**The DISCERN Handbook: Quality Criteria for Consumer Health Information is available from Radcliffe Medical Press at 18 Marcham Road, Abingdon, Oxon OX14 1AA, UK. Facsimile: +44 01235 528830**

## PHIO RESOLVES COSMETIC SURGERY DISPUTE

David Robinson joined a health fund in 1996 and soon after needed a nose reconstruction.

As a new member, he understood he would have to wait 12 months before undergoing surgery because his nose problems - the result of many years locked in rugby scrums - constituted a pre-existing condition.

After the waiting period, David went into a private hospital for the nose reconstruction. Everything went well until he sent his medical bills to his health fund.

David's fund told him that 'plastic and cosmetic surgery' had been excluded from his table of benefits some months previously. So the fund paid only the very limited Government determined 'default' benefits for the operation - the same benefits it would have paid for David's hospitalisation had it been in a public hospital - and would not cover the theatre fees.

David lodged a complaint with the Private Health Insurance Ombudsman, who contacted staff at the health fund and the hospital.

The fund replied that letters had been sent to policyholders with David's level of cover that explained the new exclusions. However, David said he had not received the notification.

The Ombudsman's investigation also revealed that hospital staff, although aware of the exclusions, were uncertain whether they applied to reconstructive surgery such as rhinoplasty (David's nose reconstruction).

As a result, the hospital failed to alert David that he may not be fully covered for the operation.

The Ombudsman referred the case back to the health fund, which found that a number of the items for David's surgery did not fit into the 'plastic and reconstructive' category.

The health fund subsequently accepted that he should receive additional benefits and agreed to pay most of the outstanding hospital bill.

Once the complaint was resolved, the Ombudsman wrote to the fund to suggest a number of changes to the printed material it distributes to members and hospitals. The fund agreed to implement the changes.

\* The name in this case study has been changed to protect the identity of the person involved.



E-mail your brochure request  
[info@phio.org.au](mailto:info@phio.org.au)

## DON'T BE LEFT OUT BY THE EXCLUSION CLAUSE

As health insurance premiums have risen, health funds have introduced exclusion products to create less expensive options to choose from.

Exclusion products offer a limited form of private health insurance - members agree to reduce the range of medical services covered by their policy, often excluding such procedures as cardiac surgery, hip- and knee-replacements or obstetrics. In return, cover is usually significantly cheaper than a more comprehensive policy.

Exclusion products can be good value, particularly for people who are happy to be treated for some illnesses in a private hospital and other illness - the excluded ones - in a public hospital. But there can be substantial risks. For a start, it's difficult to predict what your health needs will be in future. Many of the excluded procedures can be common but expensive.

For example, if you are over the age of 45, you should think carefully before excluding cardiac surgery and hip- or knee-replacements. Younger couples should think carefully about excluding obstetrics cover. Couples who are not yet planning to start a family, or those who think they have completed their family, can be surprised by an unplanned pregnancy and disappointed that their health insurance is not adequate for their needs.

Another trap for consumers is failing to regularly review your exclusion policy as your needs change. The Private Health Insurance Ombudsman often receives inquiries from patients who have undergone cardiac surgery in a private hospital - understandably, without first calling the fund to confirm that they were covered - forgetting the health insurance they took out several years ago did not cover the procedure.

The price of a mistake is high - cardiac surgery, for example, can cost tens of thousands of dollars. Before signing up for an exclusion product, make sure you have read the brochure and discussed any questions with health fund staff. It is important to carefully read all the ongoing information you receive from the health fund as it may contain information about changes to your cover.

Health funds are required to inform their policyholders of any substantive changes to their cover. Many do this through a regular newsletter. In the past, PHIO has received complaints from health fund members who were unaware of important changes to their cover because they had not read newsletters and other printed material sent by the fund.

Before signing up for an exclusion product, make sure you have read the brochure and discussed any questions with health fund staff.

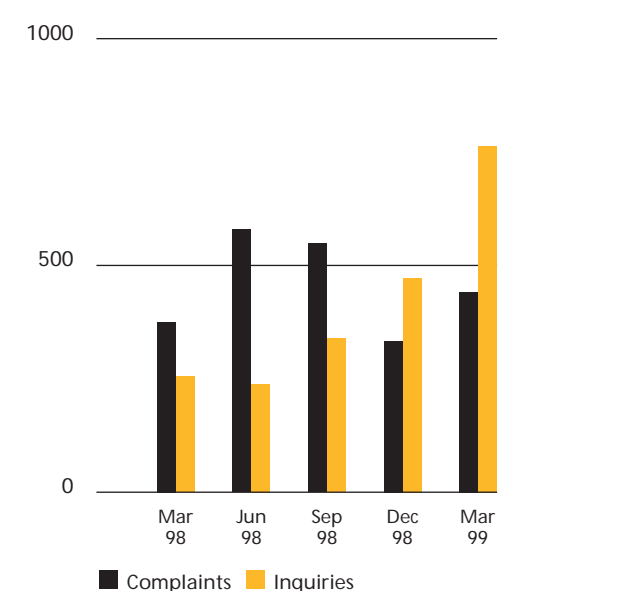


## MORE CONSUMERS TURN TO PHIO

The start of 1999 has been one of the busiest on record for the Private Health Insurance Ombudsman - with calls soaring by 50 per cent in the three months to the end of March.

Altogether, PHIO received 1205 calls during the quarter, compared with 810 in the final three months of 1998. The biggest surge was in general inquiries, up from 473 to 763. Complaints also rose from 337 to 442 (Figure 1). The figures underline the growing interest in private health insurance which followed the introduction of the Federal Government's rebate scheme - and the trend for consumers to turn to PHIO for impartial advice and assistance as they assess the most appropriate health insurance package.

Figure 1



This has resulted in a fall in the proportion of inquiries from existing health fund members. In the March quarter, they made up only 39 per cent of calls - down from 88 per cent for the same period last year (Figure 2).

Of the complaints registered with PHIO, 28 per cent concerned benefit issues, 19 per cent involved the Federal Government's rebate scheme, 14 per cent were about membership problems, 11 per cent centred on waiting periods, 8 per cent focused on information, 4 per cent highlighted the cost of health insurance and 3 per cent were about contacts. The rest involved a variety of specific issues (Figure 3).

Figure 2

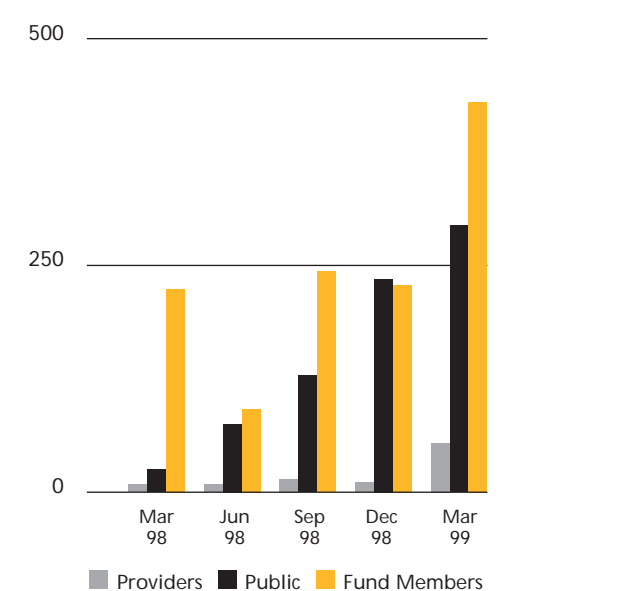
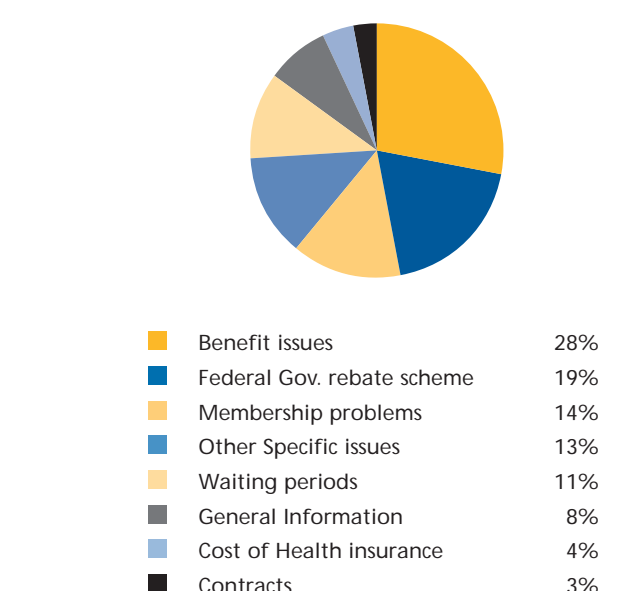


Figure 3



## HEALTH FUND REPORT CARDS

In some countries, consumer ratings, quality report cards and other comparative information is published about health funds. This helps consumers choose a health fund that best suits their needs, circumstances and expectations.

In Australia, almost no consumer friendly comparative information is available on the benefits available between policies for all funds. Some health funds are working on plain language policy documents which will help consumers understand what they've signed up for. Key features statements also make comparisons easier for consumers and some funds are working on producing a key features statement for their products.

Consumers applaud these initiatives which will help them choose the cover that suits their needs and circumstances.

Comparisons of what's included in a policy are only one part of the story - its doesn't say anything about the time it takes to process a claim, the number of claims that are rejected because of waiting periods or other reasons, the time it takes a health fund to answer a telephone call or respond to a letter, whether regular newsletters are sent to policy holders, how many policy holder complaints are made and how many hospitals have been contracted with.

Until plain language policy documents, key features statements and report cards are widely available, consumers will have to rely on other organisations to make these assessments and provide some comparative information. At the moment, key sources of consumer information about health funds are:

**Australian Consumers' Association** - produces a report each year on health insurance, usually including survey results about overall satisfaction levels and claims-handling. The report is published in Choice magazine. Further details: ACA, 55 Carrington Street, Marrickville, NSW 2042.

**Private Health Insurance Ombudsman** - its Annual Report includes information on complaints and inquiries. Compares health fund market share with a health fund's complaint share. The Annual Report is available on the Ombudsman web site: ([www.phio.org.au](http://www.phio.org.au))

**Private Health Insurance Administration Council** - its Annual Report covers financial details about health funds. The publicly - available information includes the total premium income, the amount paid in benefits to members and management expenses for each fund. The Annual report is on the Council's web site: ([www.phiac.org.au](http://www.phiac.org.au))

## AT YOUR SERVICE MEET THE STAFF

### SAMANTHA GAVEL

Samantha Gavel is a policy adviser and research specialist with PHIO, joining the office in 1997. Samantha previously worked in research and policy roles on the private staff of two New South Wales government ministers, following two years as a research officer with the Commonwealth Defence Department in Canberra.

She has a Bachelor of Arts degree from the University of Sydney, where she majored in Archaeology. Samantha has two children and enjoys reading, swimming and music.

### JACQUI POWER

Jacqui Power handles consumer inquiries and complaints and is the 'voice' for PHIO's recorded information services.

She has a BA (Hons) degree in philosophy from the University of Sydney and a Graduate Diploma in Information Management from the University of NSW. Jacqui is involved in community radio and also enjoys French classes, skiing, music and reading.

# PHIO Fax: (02) 9261 5937



# Private Health Insurance OMBUDSMAN

## NATIONAL

PRIVATE HEALTH INSURANCE OMBUDSMAN 1800 640 695

AUSTRALIAN MEDICAL ASSOCIATION (02) 6270 5400

AUSTRALIAN PRIVATE HOSPITALS ASSOCIATION (02) 6285 2716

DEPARTMENT OF HEALTH AND AGED CARE (02) 6289 1555

CONSUMERS HEALTH FORUM (02) 6281 0811

## WESTERN AUSTRALIA

Office of Health Review (08) 9426 0100

Medical Board of WA (08) 9481 1011

Dental Board of WA (08) 9321 8499

Health Department of WA (08) 9222 4222

Department of Health and Aged Care - WA Office (08) 9346 5111

AMA - West Australian Office (08) 9273 3000

Private Hospitals Association of WA (08) 9346 6690

Ministry of Fair Trading (08) 9222 0666

Health Consumers' Council of WA (08) 9221 3422

## NORTHERN TERRITORY

Commissioner for Health and Community Services Complaints (08) 8999 1969

Territory Health Services (08) 8999 2400

Medical Board of the Northern Territory (08) 8946 9544

Dental Board of the Northern Territory (08) 8946 9541

Department of Health and Aged Care - NT Office (08) 8946 3448

AMA - NT Office (08) 8927 7004

Office of Fair Trading and Consumer Affairs (08) 8999 5184

## SOUTH AUSTRALIA

State Ombudsman (08) 8226 8699

Medical Board of SA (08) 8362 7811

Dental Board of SA (08) 8364 5358

Department of Human Services (08) 8226 8800

Department of Health and Aged Care - SA Office (08) 8237 8022

AMA - SA Office (08) 8267 4355

Australian Private Hospitals Association - SA (08) 8298 8599

Office of Consumer and Business Affairs (08) 8204 9700

## QUEENSLAND

Health Rights Commission (07) 3234 0274

Medical Board of Queensland (07) 3225 2515

Dental Board of Queensland (07) 3225 2518

Department of Health (07) 3234 0111

Department of Health and Aged Care - QLD Office (07) 3360 2555

AMA - Queensland Branch (07) 3872 2222

Private Hospitals Association of Queensland (07) 3257 1588

Office of Fair Trading (07) 3246 1500

## NEW SOUTH WALES

Health Care Complaints Commission (02) 9219 7444

Medical Board of NSW (02) 9879 6799

NSW Dental Board of NSW (02) 9281 0835

NSW Department of Health (02) 9391 9000

Department of Health and Aged Care - NSW Office (02) 9263 5555

AMA - NSW Office (02) 9439 8822

Private Hospitals Association of NSW (02) 9299 1972

Department of Fair Trading 133 220

## ACT

Community and Health Services Complaints Commissioner (02) 6205 2222

ACT Medical Board (02) 6205 1599

Dental Board of the ACT (02) 6205 1599

Department of Health and Community Care (02) 6205 5111

Department of Health and Aged Care - ACT Office (02) 6274 5111

AMA - ACT Office (02) 6281 2144

Consumer Affairs Bureau (02) 6207 0400

## VICTORIA

Health Services Commissioner (03) 8601 5222

Medical Practitioners Board of Victoria (03) 9695 9500

Dental Board of Victoria (03) 9699 8011

Department of Human Services (03) 9616 7777

Department of Health and Aged Care - Vic Office (03) 9285 8888

AMA - Victorian Office (03) 9280 8722

Private Hospitals Association of Victoria (03) 9820 8022

Office of Fair Trading and Business Affairs (03) 9627 6111

Health Issues Centre (03) 9614 0500

## TASMANIA

Health Complaints Commissioner (03) 6233 6348

Medical Council of Tasmania (03) 6223 8466

Dental Board of Tasmania (03) 6278 9820

Department of Health and Human Services (03) 6233 3185

Department of Health and Aged Care - Tas Office (03) 6232 1411

AMA - Tasmanian Office (03) 6223 2047

Office of Consumer Affairs and Fair Trading (03) 6233 4567