

# Quarterly Bulletin

## 1 July - 30 September 1996

This is the first Quarterly Bulletin produced by the Private Health Insurance Complaints Commissioner. The Complaints Commissioner intends to produce a Quarterly Bulletin in October, January, April and July of each year which will provide a statistical overview of its operations and highlight any trends or important developments.

This first Bulletin includes information previously provided in the 1996 Annual Report and updated for the 3 months ending on 30 September 1996.

It is intended in the future to distribute this Quarterly Bulletin to health insurance funds, Departments of Health, hospital and health associations and consumer organisations. This first issue has been made available on a more limited basis.

If you would like to be added to our mailing list, please telephone Kathryn Murray on (02) 9261 5855. Copies of the Complaints Commissioner's 1996 Annual Report are also available by telephoning Kathryn.

Comments about the information contained in this Bulletin and suggestions for future issues are welcome and can be directed to Matthew Blackmore, Director, Policy and Customer Service, on (02) 9261 5855.

Mary Perrett  
COMPLAINTS COMMISSIONER

October 1996

## 1. INTRODUCTION

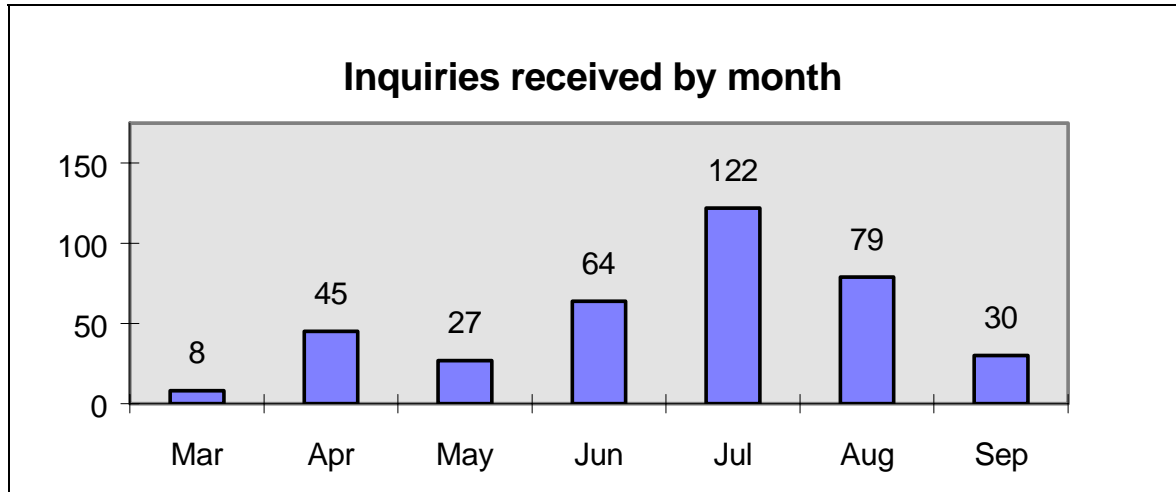
The Complaints Commissioner has been set up to deal with inquiries and complaints about any aspect of private health insurance. Most consumers contact the office through the freecall Complaints Hotline (1800 640 695). Some callers are not seeking to make a complaint but want further information about the complex area of health insurance. These calls are regarded by the Complaints Commissioner as “inquiries”.

Information about the Complaints Commissioner is available in a brochure called “Can we help with your health insurance complaint?” and is available by telephoning the Complaints Hotline. The brochure is available in Arabic, Chinese, Greek, Italian, Spanish and Vietnamese.

## 2. INQUIRIES

### Workload

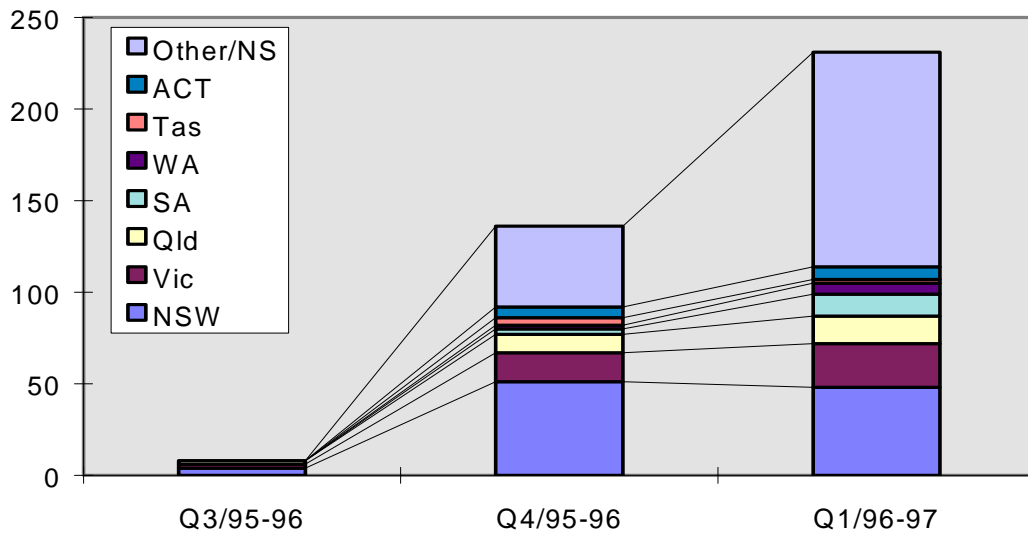
The following graph provides information about the number of inquiries dealt with by the Complaints Commissioners’ customer service staff since the office began taking complaints on 4 March 1996. The peak of activity in July represents telephone inquiries immediately following the official launch of the office by the Federal Member for Bradfield and former President of the Australian Medical Association, Dr Brendan Nelson, MP.



### Geographic distribution of inquiries

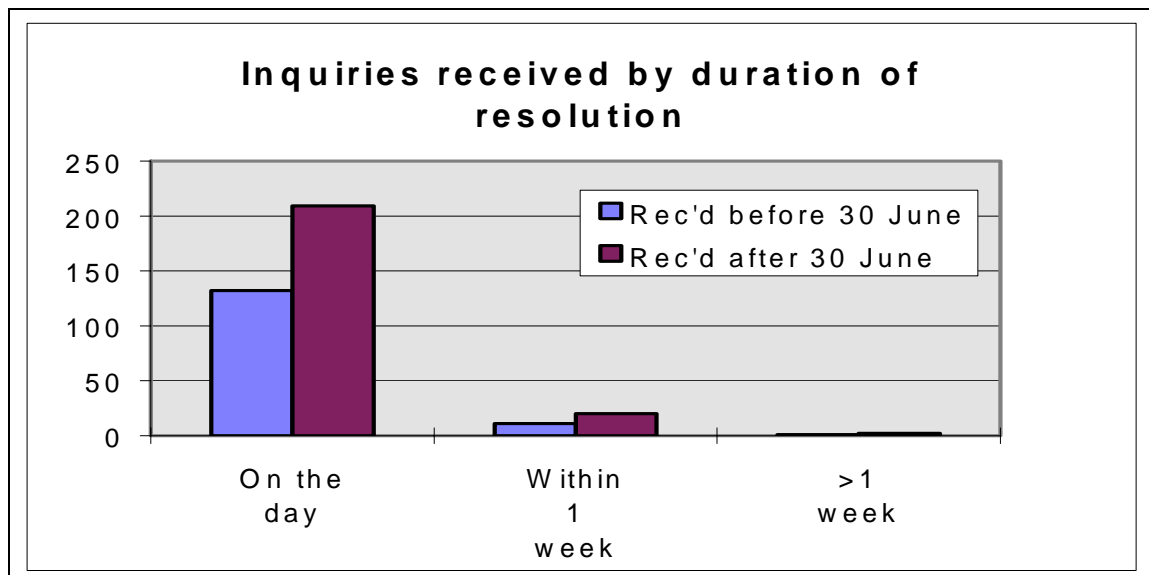
The following table shows the number of inquiries received for each quarter by State or Territory. Many inquirers do not indicate the city, town or State they are calling from, resulting in about half the inquiries being recorded as “Other/NS” (not specified).

### Inquiries received by State/Territory

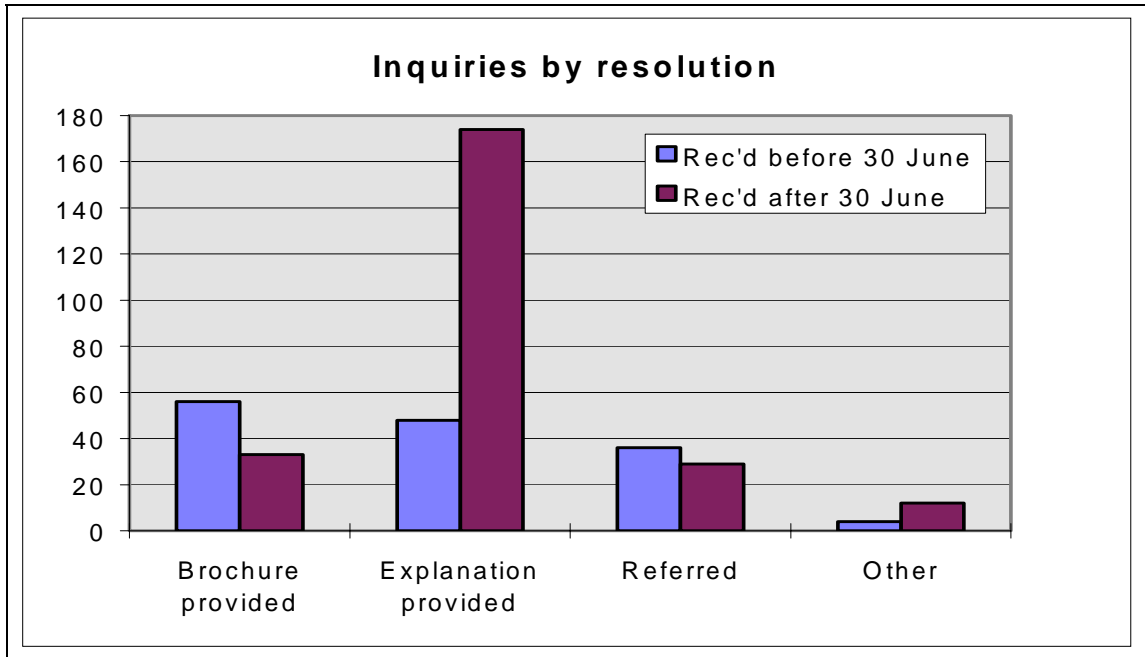


### Time taken to respond to an inquiry

Most inquiries are dealt with on the day they are received. A small number may be unusual or complex and require customer service staff to confirm or seek further advice from, for example, staff of health funds or staff of the Department of Health and Family Services. The following table provides information about the duration of dealing with an inquiry, comparing the duration of inquiries received before 30 June (4 March - 30 June) and after 30 June (1 July - 30 September).



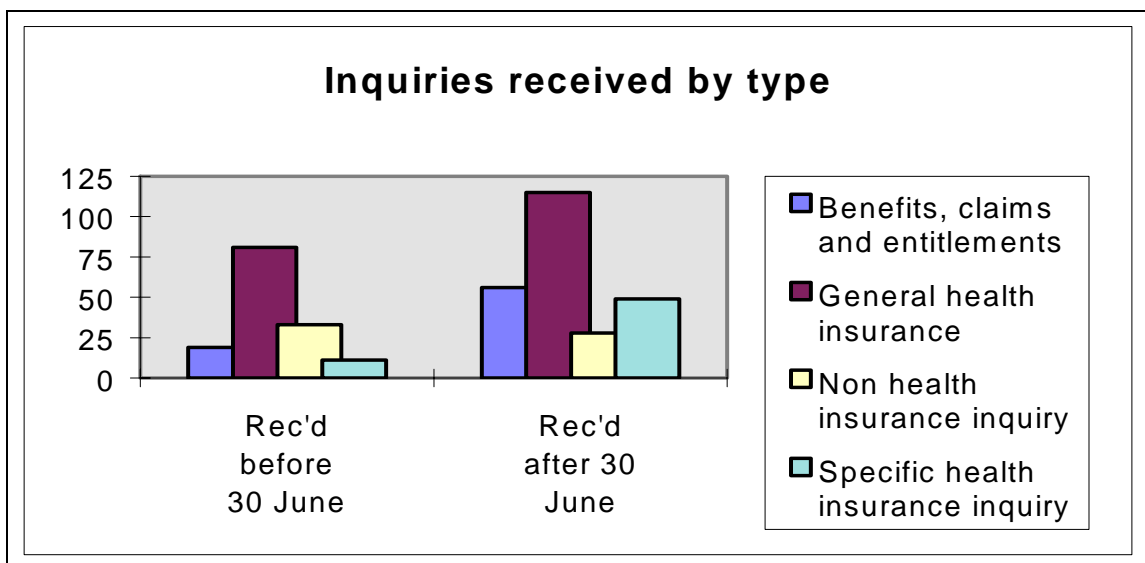
In most instances, customer service staff are able to assist inquirers by explaining the terminology used by health fund staff or providing some additional information. The following table provides information about the resolution of inquiries.



The Complaints Commissioner expects that the number of inquiries will reflect both the media coverage of the Commissioner's office and the way in which health funds advise their members about the existence, role and function of the Private Health Insurance Complaints Commissioner.

#### What are the inquiries about?

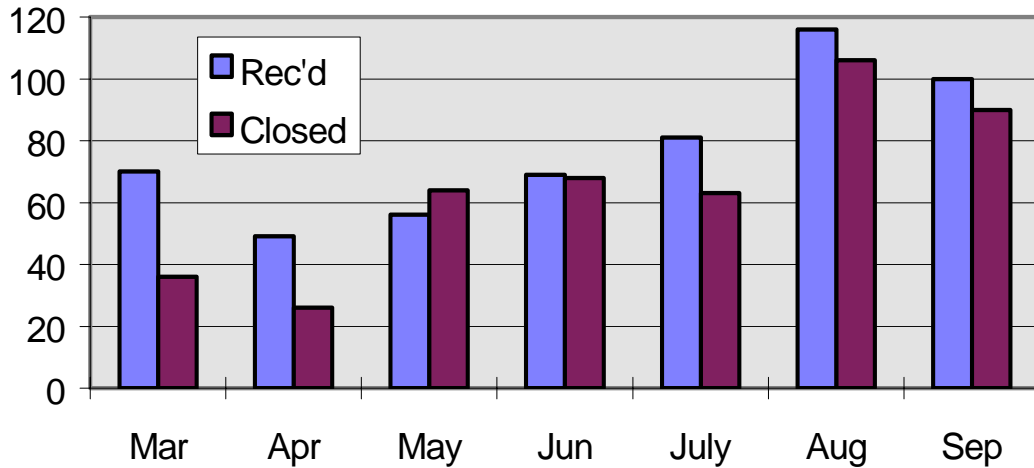
Most inquiries concern general health insurance issues. Other inquiries concern the payment of health insurance benefits, and other specific health insurance issues such as waiting periods. About a quarter of the inquiries received by the Complaints Commissioner concern other health and insurance related issues and are referred to appropriate agencies. The following table provides a summary of the issues dealt with by inquiries.



## 2. COMPLAINTS

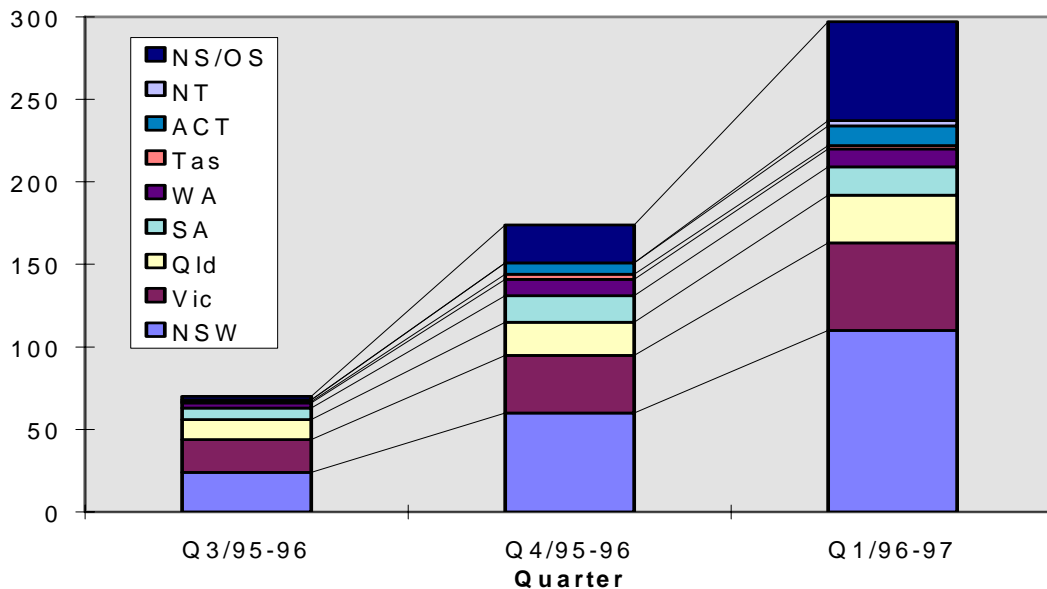
The number of complaints made to the Complaints Commissioner continues to increase. The following table provides information about the number of complaints received each month since the Commissioner's establishment.

### Complaints received and closed by month



Most complaints were received from NSW (37% in the September quarter compared with 34% up until 30 June 1996), with 18% from Victoria (compared with 22% previously) and 10% from Queensland (compared with 13% previously). Details are provided below. Complaints from Australians residing overseas and those who did not identify their State/Territory of residence are shown below as "NS/OS" (not specified/Overseas).

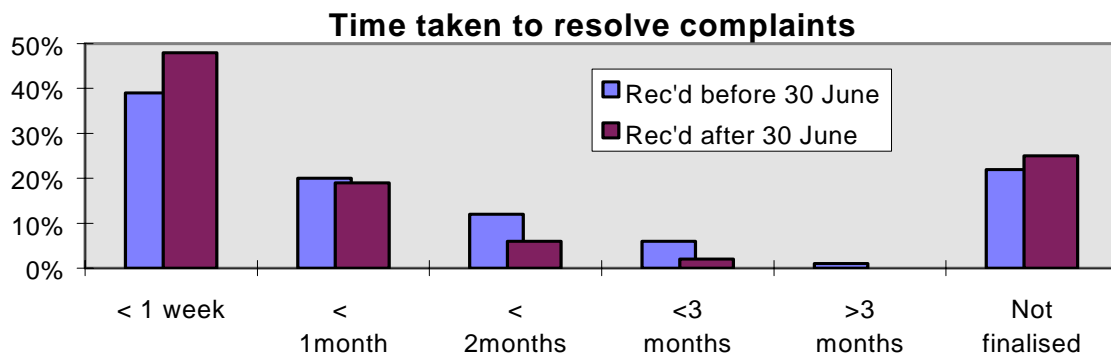
### Complaints received by State/Territory



### Time taken to resolve complaints

Most complaints are resolved within one week (48% compared with 39% before 30 June). A further 19% (20% previously) of complaints were resolved within 1 month (31 days), another 6% (12% previously) within 2 months (62 days) and a small number of complaints (2% compared with 6% previously) were resolved within 3 months. 25% of complaints remained open at the end of the September quarter.

Many health funds respond to informal telephone requests for information by the Complaints Commissioner's staff. This accounts for many complaints being resolved in less than one week.



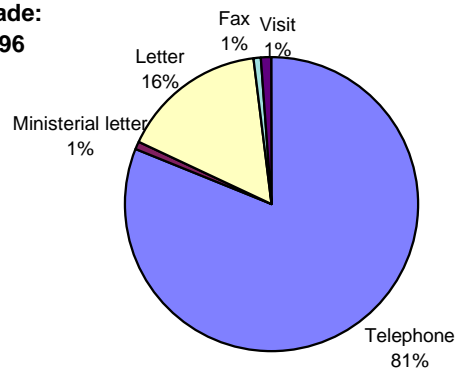
### Type of complainant

Most complaints in the September quarter were made by members of health funds (94%, compared with 98% for complaints received before 30 June 1996). Complaints are also made by hospitals and day hospitals, doctors and dentists.

### Mode of complaint

Most complaints in the September quarter were made by telephone (81%, compared with 77% for complaints received before 30 June), letter (16%, compared with 18%), fax, Ministerial representation and personal visit.

**How is a complaint made:  
September Quarter 1996**



<b>Complaints received by fund</b>				
	<b>1995/96</b>		<b>Sep Qtr 1996/97</b>	
	No.	%	No.	%
Army Health Benefits	0	0.0	1	0.3
Australian Health Management	0	0.0	2	0.7
Australian Union Health	0	0.0	1	0.3
Australian Unity/PA	10	4.1	14	4.7
Commonwealth Bank	0	0.0	1	0.3
Credicare	0	0.0	4	1.3
Druids	2	0.8	0	0.0
FAI	2	0.8	1	0.3
Geelong Medical & Hospital	0	0.0	2	0.7
Govt Employees	25	10.2	14	4.7
Grand United	3	1.2	3	1.0
HBA	15	6.1	9	3.0
HBF	4	1.6	4	1.3
HCF	10	4.1	41	13.8
HCI	1	0.4	0	0.0
IOOF	0	0.0	1	0.3
HIF	1	0.4	0	0.0
IOR	10	4.1	6	2.0
La Trobe	2	0.8	1	0.3
Manchester Unity	4	1.6	5	1.7
MBF	45	18.4	38	12.8
Medibank Private	53	21.7	77	25.9
Mildura	3	1.2	1	0.3
Mutual Community	15	6.1	6	2.0
Not specified	6	2.5	31	10.4
National Mutual	5	2.0	2	0.7
NIB	16	6.6	19	6.4
NSW Teachers	3	1.2	4	1.3
SA Police	1	0.4	0	0.0
Railway & Transport	1	0.4	0	0.0
SGIC	1	0.4	1	0.3
St Lukes	1	0.4	0	0.0
Transport Friendly Society	0	0.0	2	0.7
Qld Teachers	2	0.8	1	0.3
Yallourn Medical Hospital	0	0.0	1	0.3
Westfund	3	1.2	4	1.3
<b>Total</b>	<b>244</b>	<b>100</b>	<b>297</b>	<b>100.0</b>

Care should be taken in interpreting the number of complaints received against each health fund, as this will depend on the health fund's market share and how well they advertise the Complaints Commissioner's office to their members.

Complaints received by issue								
	1996/96				Sept Qtr 1996/97			
<i>Issue</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
<b>Benefits</b>								
Extent of cover			64	44.1%			61	41.2%
Amount			26	17.9%			16	10.8%
Delay			9	6.2%			11	7.4%
Excess			7	4.8%			7	4.7%
Limit reached			6	4.1%			9	6.1%
Gap payment			13	9.0%			24	16.2%
Out of State			4	2.8%			3	2.0%
Other			16	11.0%			17	11.5%
<b>Subtotal Benefits</b>	<b>145</b>	<b>42.0%</b>		<b>100.0%</b>	<b>148</b>	<b>39.8%</b>		<b>100.0%</b>
<b>Information</b>								
Oral			32	47.8%			14	38.9%
Printed			15	22.4%			11	30.6%
Radio/TV			2	3.0%			5	13.9%
Written			4	6.0%			2	5.6%
Lack of notification			14	20.9%			4	11.1%
<b>Subtotal Information</b>	<b>67</b>	<b>19.4%</b>		<b>100.0%</b>	<b>36</b>	<b>9.7%</b>		<b>100.0%</b>
<b>Waiting Periods</b>								
General			4	8.2%			5	8.9%
Obstetrics			4	8.2%			9	16.1%
Pre existing ailment			41	83.7%			42	75.0%
<b>Subtotal Waiting Periods</b>	<b>49</b>	<b>14.2%</b>		<b>100.0%</b>	<b>56</b>	<b>15.1%</b>		<b>100.0%</b>
<b>Membership issues</b>								
Who is the contributor?			3	12.5%			9	27.3%
Arrears			3	12.5%			3	9.1%
Cancellation/suspension			18	75.0%			21	63.6%
<b>Subtotal Membership</b>	<b>24</b>	<b>7.0%</b>		<b>100.0%</b>	<b>33</b>	<b>8.9%</b>		<b>100.0%</b>
<b>Costs</b>								
Premiums			19	95.0%			23	76.7%
Fees and services			1	5.0%			7	23.3%
<b>Subtotal Costs</b>	<b>20</b>	<b>5.8%</b>		<b>100.0%</b>	<b>30</b>	<b>8.1%</b>		<b>100.0%</b>
<b>Other specific issues</b>								
Acute Care Certificates			3	12.5%			1	1.5%
Discrimination			2	8.3%			4	6.2%
Language & culture			3	12.5%			1	1.5%
Quality of service			6	25.0%			14	21.5%
Private patient election			2	8.3%			1	1.5%
Other specific complaint			8	33.3%			44	67.7%
<b>Subtotal Other</b>	<b>24</b>	<b>7.0%</b>		<b>100.0%</b>	<b>65</b>	<b>17.5%</b>		<b>100.0%</b>
<b>Fund Rule Changes</b>	<b>16</b>	<b>4.6%</b>			<b>4</b>	<b>1.1%</b>		
<b>TOTAL</b>	<b>345</b>	<b>100%</b>			<b>372</b>	<b>100%</b>		