Quarterly Update: 1 October to 31 December 2025

The Office of the Commonwealth Ombudsman, as the Private Health Insurance Ombudsman (PHIO), protects the interests of private health insurance consumers. We do this in many ways, including:

- assisting health insurance consumers to resolve complaints through our independent complaint-handling service
- identifying underlying problems with private health insurers or health care providers
- reporting and providing advice and recommendations to industry and government about private health insurance, including the performance of the sector and the nature of complaints
- managing PrivateHealth.gov.au, a comprehensive source of independent information about private health insurance for consumers.

This update covers the October-December 2025 quarter.

The PHIO received 746 complaints.[1] This was an increase of 2.8 per cent compared to the same period in 2024–25.

The quarter by quarter comparison of all complaints received by the PHIO is shown in **Figure 1**.

[1] Includes complaints about private health insurers, hospitals, practitioners and brokers. Refer to Private Health Insurance industry updates for definitions of complaints, issues and other terms, and previous quarterly updates. Our data is dynamic and regularly updated. This means there may be minor differences when compared to the last quarterly update.

Figure 1: Complaints received by quarter

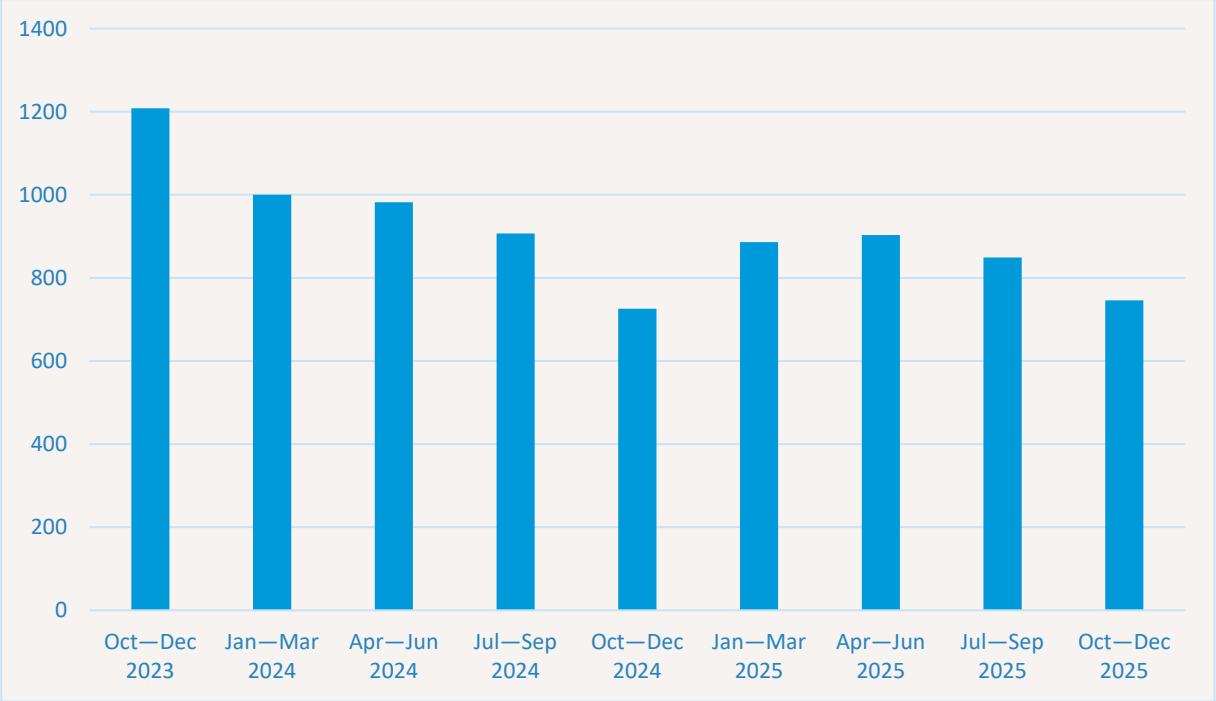

Table 1: Complaints by provider or organisation type in previous 4 quarters

Provider or organisation type	Jan-Mar 2025	Apr-Jun 2025	Jul-Sep 2025	Oct-Dec 2025
Health insurers	782	791	707	668
Overseas visitors and overseas student health insurers	92	104	121	53
Brokers and comparison services	8	4	9	10
Doctors, dentists, and other medical providers	0	0	0	1
Hospitals and area health services	2	1	9	1
Other (e.g., legislation, ambulance services, industry peak bodies)	2	3	3	13
Total	**886**	**903**	**849**	**746**

Figure 2: Top complaint issues in October-December 2025, compared to previous 3 quarters

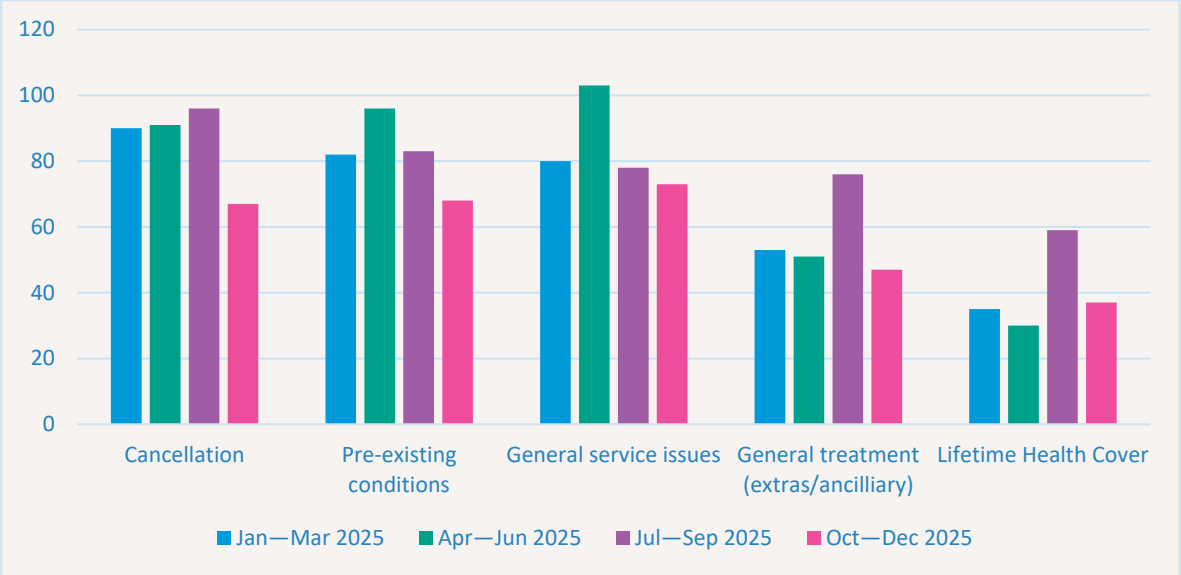

Figure 2 shows the top 5 complaint issues and their frequency across the previous 4 quarters.

The issues which were most complained about this quarter were general service issues, pre-existing conditions (PEC) and cancellation. Of note, we saw a decrease in all 5 complaint issues agains the previous quarter.

Consumer Understanding of Clinical Categories

Clinical categories for private health insurance are set by the Department of Health, Disability and Ageing (the Department). While these categories are intended to help consumers compare products more easily, complaints to our Office indicate that there can still be confusion about how categories apply to specific treatments and procedures.

This can be particularly challenging for consumers purchasing private health insurance for the first time, who may reasonably expect that a condition or treatment described in common terms will automatically be covered under the corresponding clinical category.

For example, a consumer may purchase a product believing they are covered for hernia treatment, only to later discover that a specific procedure is not included under their policy. In some cases, although the condition relates to a hernia, the procedure itself may fall under a different clinical category depending on the area of the body involved or the primary type of treatment being undertaken, such as digestive system procedures.

Complaints received by our Office suggest that the categorisation of certain hernia-related procedures is an area of ongoing confusion for consumers. From a consumer perspective, it may not always be clear why a treatment associated with a hernia would be assessed under a category other than “Hernia and Appendix”.

Insurers should consider whether additional information could be provided in product collateral policy summaries, or other consumer-facing materials to better explain the scope and limitations of clinical categories. Providing clearer explanations at the point of sale may assist consumers to better understand the products they are purchasing and reduce the likelihood of unexpected claim outcomes.

For example, insurers could consider including clarifying statements or disclaimers noting that not all procedures relating to a condition will necessarily fall within the expected clinical category. Consumers could also be directed to more detailed member rules or policy documentation where further information about treatment categorisation is available.

Further to this, clinical categories are periodically reviewed and updated by the Department, including in response to changes to the Medicare Benefits Schedule. Where amendments may impact the categorisation of procedures or policy coverage, it is good practice for insurers to communicate these changes to affected members where they can.

Improving transparency and consumer understanding may help reduce confusion, support informed decision-making, and ultimately reduce complaints arising from misunderstandings about policy coverage.

Complaint statistics by health insurer and by issue

Table 2: Complaints by health insurer market share, October-December 2025[2]

Name of insurer	No further action	Percentage of no further action	Referrals	Percentage of referrals	Investigations[3]	Percentage of investigations	Market share[4]
ACA Health Benefits	0	0.0%	0	0.0%	0	0.0%	0.1%
AIA Health (myOwn)	1	1.9%	13	2.2%	0	0.0%	0.5%
Australian Unity	1	1.9%	12	2.1%	0	0.0%	2.1%
BUPA	19	36.5%	179	31.0%	3	50.0%	25.5%
CBHS	0	0.0%	16	2.8%	0	0.0%	1.4%
CBHS Corporate Health	0	0.0%	1	0.2%	0	0.0%	<0.1%
CDH (Hunter Health Insurance)	0	0.0%	0	0.0%	0	0.0%	<0.1%
Defence Health	1	1.9%	8	1.4%	1	16.7%	1.9%
Doctors' Health Fund	0	0.0%	4	0.7%	0	0.0%	0.6%
GMHBA (incl. Health.com.au)	2	3.8%	15	2.6%	0	0.0%	2.1%
HBF Health (GMF/Healthguard, CUA, QCH) (4)	3	5.8%	31	5.4%	1	16.7%	7.9%
HCF (incl. RT Health and Transport Health)	7	13.5%	64	11.1%	0	0.0%	12.8%
HCI (Health Care Insurance)	0	0.0%	2	0.3%	0	0.0%	0.1%
Health Partners	0	0.0%	2	0.3%	0	0.0%	0.6%
HIF (Health Insurance Fund of Aus.)	1	1.9%	4	0.7%	0	0.0%	0.6%
Latrobe Health	0	0.0%	8	1.4%	0	0.0%	0.7%
MDHF	0	0.0%	0	0.0%	0	0.0%	0.3%
Medibank Private & AHM	9	17.3%	115	19.9%	1	16.7%	26.5%
NHBA (National Health Benefits Aus.)	0	0.0%	0	0.0%	0	0.0%	0.1%
Navy Health	0	0.0%	0	0.0%	0	0.0%	0.4%
NIB Health & GU Corporate Health	4	7.7%	68	11.8	0	0.0%	9.8%
Peoplecare	2	3.8%	6	1.0%	0	0.0%	0.5%
Phoenix Health Fund	0	0.0%	1	0.2%	0	0.0%	0.2%
Police Health	2	3.8%	7	1.2%	0	0.0%	0.6%
Reserve Bank Health	0	0.0%	0	0.0%	0	0.0%	<0.1%
St Lukes Health	0	0.0%	4	0.7%	0	0.0%	0.6%
Teachers Health (including TUH)[5]	0	0.0%	14	2.4%	0	0.0%	3.2%
Westfund	0	0.0%	4	0.7%	0	0.0%	0.9%
Total for Health Insurers	**52**	**100.0%**	**578**	**100.0%**	**6**	**100.0%**	

[2] This table shows complaints regarding Australian registered health insurers. This table excludes complaints regarding Overseas Visitors Health Cover and Overseas Student Health Cover insurers, and other bodies.

[3] Investigations required the intervention of the Ombudsman and the health insurer.

[4] Source: Australian Prudential Regulation Authority, Market Share, All Policies, 30 June 2025.

[5] TUH merged with Teachers Health effective 1 July 2025.

Table 3: Complaint issues and sub-issues for October-December 2025 and previous 3 quarters

ISSUE	Mar 25	Jun 25	Sep 25	Dec 25
BENEFIT				
Accident and emergency	10	11	10	6
Accrued benefits	3	0	6	4
Ambulance	7	5	10	3
Amount	27	23	17	20
Delay in payment	48	42	24	26
Excess	9	11	9	6
Gap—Hospital	8	2	5	17
Gap—Medical	21	18	28	20
General treatment (extras/ancillary)	53	51	76	62
High-cost drugs	0	1	0	1
Hospital exclusion/restriction	39	31	38	47
Insurer rule	9	16	27	10
Limit reached	8	4	7	4
New baby	4	2	1	6
Non-health insurance	0	0	0	4
Non-health insurance—overseas benefits	0	0	0	0
Non-recognised other practitioner	3	3	1	0
Non-recognised podiatry	2	0	1	0
Other compensation	2	9	3	5
Out of pocket not elsewhere covered	10	9	5	16
Out of time	3	0	1	2
Preferred provider schemes	1	3	6	3
Prostheses	2	3	2	2
Workers compensation	0	0	0	1
CONTRACT				
Hospitals	2	0	2	3
Preferred provider schemes	0	3	0	2
Second tier default benefit	0	0	3	0
COST				
Dual charging	6	6	9	8
Rate increase	32	27	3	1
INCENTIVES				
Lifetime Health Cover	35	29	59	37
Medicare Levy Surcharge	2	1	6	2
Private health insurance reforms	1	1	0	0
Rebate	7	8	8	4
Rebate tiers and surcharge changes	0	1	0	0
INFORMATION				
Brochures and websites	9	5	6	8
Lack of notification	12	12	9	6
Radio and television	0	0	0	0

Standard Information Statement	2	2	0	4
Verbal advice	14	18	17	15
Written advice	5	4	4	6
INFORMED FINANCIAL CONSENT				
Doctors	1	1	2	1
Hospitals	3	4	8	3
Other	2	2	0	0
MEMBERSHIP				
Adult dependents	10	8	2	4
Arrears	7	5	9	6
Authority over membership	7	5	4	8
Cancellation	90	91	96	67
Clearance certificates	30	36	23	19
Continuity	15	20	13	22
Rate and benefit protection	4	4	2	5
Suspension	13	10	12	8
SERVICE				
Customer service advice	41	45	38	28
General service issues	80	103	78	73
Premium payment problems	48	45	25	25
Service delays	20	20	17	7
WAITING PERIOD				
Benefit limitation period	0	0	0	0
General	22	21	25	20
Obstetric	5	3	5	2
Other	10	10	5	4
Pre-existing conditions	82	98	83	68
OTHER				
Access	3	2	1	4
Acute care and type C certificates	0	1	0	0
Community rating	0	0	0	0
Complaint not elsewhere covered	6	7	9	13
Confidentiality and privacy	2	1	2	3
Demutualisation/sale of health insurers	0	0	0	0
Discrimination	0	0	0	0
Medibank sale	0	0	0	0
Non-English speaking background	0	0	0	1
Non-Medicare patient	1	0	1	0
Private patient election	1	1	2	0
Rule change	1	2	3	2

Data

The data in this Quarterly Update is for the period 1 October 2025 to 31 December 2025. Some figures may differ from our Annual Report as our data is dynamic and regularly updated as new information becomes known. Previous PHIO updates are available on the Ombudsman's website.

Subscribe to PHIO quarterly updates

To subscribe to email updates notifying of new PHIO quarterly updates and related publications such as the upcoming State of the Health Funds Report, complete the form on our website (scroll down to the end of the page).

If you are having any issues using the form, please email phi@ombudsman.gov.au and ask to join the mailing list.