



Australian Government

Private Health Insurance Ombudsman

MEDIA RELEASE

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PRIVATE HEALTH INSURANCE OMBUDSMAN RELEASES 2011-12 ANNUAL REPORT

The Private Health Insurance Ombudsman, Samantha Gavel, today released her office's Annual Report, detailing activities undertaken in the 12-month period between 1 July 2011 and 30 June 2012, to protect the interests of consumers in relation to private health insurance.

Highlights for the year noted in the Annual Report included:

- the launch of "Health Insurance Insider", an online newsletter focussed on consumers. The new consumer newsletter complements the office's Quarterly Bulletin, which provides statistics and information to industry and other stakeholders;
- a series of workshops for insurers run by the Private Health Insurance Ombudsman (PHIO) in conjunction with the NSW Ombudsman, to assist insurers to improve their internal complaints handling services;
- updates and improvements to the consumer website PrivateHealth.gov.au, including improvements to the insurer information pages, an enhanced agreement hospital locator and a series of tutorial videos assisting consumers to better understand private health insurance;
- continued positive feedback from consumers in relation to the consumer website PrivateHealth.gov.au, with consistently positive responses on the major criteria, including quality of information and visual appeal; and
- a continuing high level of customer satisfaction with PHIO's complaints handling service, with more than 90% of those surveyed reporting they were satisfied or very satisfied with the service.

Ms Gavel said her office had received 2,995 complaints during the year, which was a similar figure to the 3,070 complaints received the previous year. Ms Gavel noted that private health insurance membership continued to increase during the reporting period, with 46.8% of the population holding hospital cover and 54.4% holding General treatment cover at 30 June 2012, according to the June 2012 Quarterly Statistics released by the industry regulator, the Private Health Insurance Administration Council (PHIAC).

The main issues forming the substance of complaints made to PHIO in 2011-12 related to:

- questions about oral information (261 complaints in 2011-12, compared with 219 in 2010-11);
- restrictions and exclusions (215 complaints in 2011-12, compared with 175 in 2010-11); and
- the pre-existing condition waiting period (207 complaints in 2011-12, compared with 149 in 2010-11).

Ms Gavel also noted that there were 630 higher-level complaints requiring more detailed investigation by her office, which was a decrease of 12% on the 716 higher-level complaints investigated during 2010-11. The number of high-level complaints requiring investigation by the office has declined in recent years and this year's figure is the lowest in the past five years.

"The decline in higher level complaints requiring investigation by PHIO reflects the work that PHIO does with insurers to improve their internal complaints handling practices and resolve the underlying issues that lead to complaints. It also reflects individual insurers' focus on improving their own internal complaints handling as well."

Ms Gavel emphasised that the best private health insurance outcomes for consumers can only be achieved through access to the best information and directed consumers to her office's consumer website (www.privatehealth.gov.au) as the leading, independent source of information on private health insurance in Australia.

"During 2012, changes to the Government Rebate for private health insurance meant that consumers were more focussed than usual on their private health insurance. They were actively looking for information about private health insurance to assist them in making decisions," she said.

Ms Gavel said it was pleasing to see that significantly increased numbers of consumers found their way to PrivateHealth.gov.au at this time.

"In addition, during 2011-12, my office facilitated significant increases in consumer requests for information:

- consumer brochures were sent directly to consumers, accessed online, and also distributed by health insurers, hospitals and providers, with more than 124,000 brochures distributed throughout the year;
- the average number of daily visitors to the consumer website was 1,853, compared to 710 per day in 2010-11, an increase of 261%;
- there was a 66% increase in the number of unique visitors to the site in June 2012; and
- overall there were 485,923 unique visitors to the consumer website in 2011-12, a 55% increase from the previous year."

Ms Gavel said her office would be focusing on the following priorities for the current year:

- further updates and improvements to PHIO's consumer website PrivateHealth.gov.au, to ensure it continues to meet consumers' needs for accessible, independent and reliable information about private health insurance;
- updates and improvements to PHIO's organisational website Phio.org.au, including better document incorporation making the site more usable for consumers and making the site fully searchable;
- investigating the best use of social media platforms aimed at enhancing consumer accessibility to accurate and helpful information on private health insurance issues; and
- complaints handling workshops for insurers in early 2013, to assist insurers to improve their own internal complaints handling processes.

The Private Health Insurance Ombudsman's 2011-2012 Annual Report can be viewed on the Ombudsman's website at www.phio.org.au and copies of the Report can be requested by contacting the Ombudsman's office on (02) 8235 8777.

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