

Private Health Insurance Ombudsman – Australian Health Service Alliance (AHSA) and Healthscope negotiations

The Private Health Insurance Ombudsman is pleased at the news today that following continued discussions between AHSA and Healthscope, an in-principle agreement was reached on 3 March 2025.

In its role as the Private Health Insurance Ombudsman, the Office of the Commonwealth Ombudsman (the Office) seeks to protect the interests of people who are covered by private health insurance.

In late 2024, hospital group Healthscope announced that as they had been unable to reach a new agreement about cover for members of AHSA funds accessing Healthscope facilities, they would be terminating the hospital agreement with AHSA insurers. The termination would have taken effect from 4 March 2025.

Throughout this period, the Office worked closely with the parties to encourage them to resolve the dispute. The Office arranged a voluntary mediation which took place on 18 February 2025.

Statements attributable to Private Health Insurance Ombudsman, Iain Anderson:

"I congratulate the parties on coming to this agreement, as it means that consumers insured by AHSA funds will continue to be covered at Healthscope hospitals. We urge the parties to resolve the remaining terms and finalise the agreement as soon as possible."

"I acknowledge that the dispute has caused uncertainty and concern for consumers, particularly given the late resolution date. In commercial disputes such as this, my Office's interest is always in reducing the impact on consumers. We strongly encourage insurers and hospitals to seek to resolve any contractual disputes before the dispute escalates to impacting consumers directly."

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Consumers from an insurer represented by AHSA expecting a hospital admission can contact their insurer and Healthscope for further information about their benefits and out-of-pocket costs.

To assist consumers the Office has developed a [factsheet](#) with general advice about private health insurers and hospital agreements.

For more information visit ombudsman.gov.au or for media enquiries email media@ombudsman.gov.au.