



PRIVATE
HEALTH INSURANCE
OMBUDSMAN

**STATE
OF THE
HEALTH FUNDS
REPORT
2016**



COMMONWEALTH
OMBUDSMAN



The Private Health Insurance Ombudsman can be contacted in the following ways:

Post

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Office of the Commonwealth Ombudsman
GPO Box 442, Canberra ACT 2601

Phone

- **Private health insurance complaints:** 1300 362 072
— 9am to 5pm Australian Eastern Daylight Time, Monday to Friday
- **Private health insurance enquiries and advice:** 1300 737 299
— 9am to 5pm Australian Eastern Daylight Time, Monday to Friday.

Other

- **Email:** phio.info@ombudsman.gov.au
- **Website:** Ombudsman.gov.au
- **Consumers requiring translators:**
13 14 50 (Translating and Interpreting Service)
- **Deaf, or hearing or speech impaired:**
13 36 77 (National Relay Service)

Readers with enquiries about the Ombudsman or this report should contact the Administration Officer at the above address. Information for senators and members of parliament is available from the Private Health Insurance Ombudsman at the above telephone numbers.

The Coat of Arms

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Private Health Insurance Ombudsman
STATE OF THE HEALTH FUNDS REPORT 2016

Relating to the financial year 2015–16

Report required by 20D (c) of the *Commonwealth Ombudsman Act 1976*



FOREWORD

I am pleased to present the thirteenth annual *State of the Health Funds Report*, relating to the financial year 2015–16. *The Commonwealth Ombudsman Act 1976* (Cth) requires that the Private Health Insurance Ombudsman (PHIO) publish the report after the end of each financial year to provide comparative information on the performance and service delivery of all health funds¹ during that financial year.

The information in the report supplements information available on PHIO's consumer website Privatehealth.gov.au, which was developed and is maintained by PHIO. The consumer website provides a range of information to assist consumers to understand private health insurance, and to select or update their private health insurance policies. The information on the consumer website, together with the *State of the Health Funds Report* itself, makes it easier for consumers to choose health insurance policies that better meet their individual needs.

The purpose of this report is to provide consumers with additional information to assist them to make informed decisions about private health insurance. For existing policyholders, the report details information that allows them to compare the performance of their fund with all other health funds. For those considering taking out private health insurance for the first time, the report provides an indication of the services available from each fund and a comparison of some service and performance indicators at the fund level.

The range of issues and performance information contained in the report has been chosen after taking into account the availability of reliable data and whether the information is reasonably comparable across funds. The information included in the report is based on data collected by the Australian Prudential Regulation Authority (APRA), as part of its role in undertaking statistical reporting and monitoring of the financial management of health funds.

Mr Richard Glenn

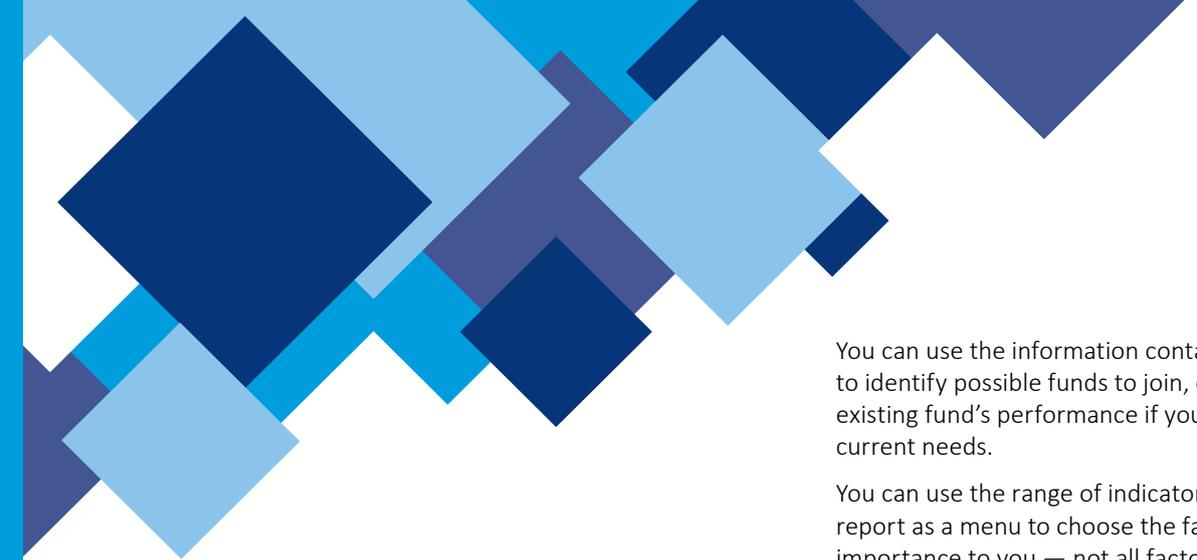
Acting Commonwealth Ombudsman
March 2017

¹ For the purposes of this report, Australian registered private health insurers are referred to as 'health funds'.



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USING THIS REPORT TO COMPARE FUNDS

Disclaimer

Nothing contained in this report should be taken as a recommendation by the Private Health Insurance Ombudsman in favour of any particular health fund or health insurance policy.

No single indicator should be used as a measure of overall fund performance. In most cases, a seemingly poor performance on one indicator will be offset by a good performance on other factors.

The information used in the report in order to compare health funds is based on data collected for regulatory purposes. This information is the most appropriate, independent and reliable data available.

The report is intended to help you to decide which health funds to consider, though it won't necessarily indicate which of the fund's policies to purchase. Virtually all funds offer more expensive policies that can be expected to provide better than average benefits as well as cheaper policies that provide less.

The State of the Health Funds Report

The *State of the Health Funds Report* (SOHFR) compares how health funds perform across the following criteria:

- Service performance;
- Hospital benefits;
- Medical gap schemes;
- General treatment (extras) benefits;
- Financial management; and
- Health fund operations.

You can use the information contained in this report to identify possible funds to join, or to assess your existing fund's performance if you're reviewing your current needs.

You can use the range of indicators included in this report as a menu to choose the factors of most importance to you — not all factors will be of equal importance to every individual or family.

For instance, if you prefer to do business with a health fund in person, then you should consider the availability of retail offices to be an important consideration. However, if you prefer to do as much of your business as possible over the internet, the range of services available through the funds' websites will be more important.

More information about particular indicators is provided in the explanations preceding each of the tables in this report.

If you're considering taking out private health insurance for the first time, the Ombudsman suggests you use this report to identify a number of funds — preferably at least three — for further investigation.

Where to find more information about selecting a policy

The PHIO brochure 'Health Insurance Choice: Selecting a Health Insurance Policy' includes important advice on what to consider and what questions to ask when selecting a hospital cover policy. It also includes information on government incentives relating to hospital cover such as the 'Medicare Levy Surcharge Exemption' and 'Lifetime Health Cover'.

These brochures, as well as other publications, can be found at Ombudsman.gov.au. Some brochures can be obtained in hard copy on request from the Ombudsman's office.

This report does not include detailed information on price and benefits for particular health insurance policies. Information on specific policies is available from the Ombudsman's consumer website Privatehealth.gov.au, where you can search for and compare information about every health fund and policy in Australia.

Fund names

Throughout this report, health funds are referred to by an abbreviation of their registered name, rather than any brand name that they might use. This abbreviated name appears on the left side of the heading for each fund in the ‘Health Fund Listing’ section. Some open membership funds use several different brand names.

Current and recent brand names

Brand name	Fund
APIA	NIB
Australian Country Health	Medibank
Australian Health Management	Medibank
Budget Direct	GMHBA
Country Health	Medibank
CY Health	Healthguard
Druids	GMHBA
Federation Health	Latrobe
Frank, FIT, RACT	GMHBA
GMF Health	HBF
Goldfields	HBF
Government Employees	Medibank
Grand United	Australian Unity
HBA	BUPA
Illawarra Health Fund	Medibank
IOOF	NIB
IOR	HCF
Manchester Unity	HCF
MBF	BUPA
Mutual Community	BUPA
Mutual Health	Medibank
NRMA Health	BUPA
Qantas Assure	NIB
Suncorp	NIB
SGIC (SA)	BUPA
SGIO (WA)	BUPA



ABOUT THE DATA USED IN THIS REPORT

Open and restricted membership health funds

Membership of 'open' health funds is available to everyone.

'Restricted membership' health funds have certain membership criteria which mean they aren't available to all consumers. For example, membership may be restricted to employees of certain companies or occupations, or members of particular organisations.

Where applicable, open and restricted membership funds are listed separately in each of the tables in this report.

Information about policies

The information included in the report on fund contributions and benefits indicates the average outcomes across all of a fund's policies and so can't be taken as an indicator of the price or benefit levels that can be expected for any particular policy.

Virtually all funds offer more expensive policies that can be expected to provide better than average benefits and most also offer cheaper policies that provide less.

This report can help you to decide which health funds to consider, but won't necessarily help you to decide which of the funds' policies to purchase.

For information about specific policies, the website Privatehealth.gov.au enables you to view standard information outlining the main features of any health insurance policy. You can compare Standard Information Statements for any policy available for purchase from any fund, including the level of cover, excess and price. The website is also a good resource of independent and reliable information about private health insurance.

Data collection

The need to obtain independent, reliable data has been a key consideration in putting together the report. The data selected by the Ombudsman as the most appropriate available is collected by the industry regulator, the Australian Prudential Regulation Authority (APRA). APRA has supplied most of the data published in this report.

Funds report to APRA for regulatory purposes and not all of the data is publicly available. Some of this information is useful to consumers and is therefore reproduced in this report. You should note that the data is collected primarily for regulatory purposes and not for the purposes of the *State of the Health Funds Report*. Accordingly, it is important to read the accompanying text explaining the data in conjunction with the tables.

As funds differ in size, most of the statistical information is presented as percentages or dollar amounts per membership, for easier comparison. No attempt has been made to weight the importance of various indicators, as these are subjective judgements very much dependent on your particular circumstances, preferences and priorities. For this reason, it would not be valid to average all the scores indicated to obtain some form of consolidated performance or service delivery score.

The report provides you with additional information about the benefits that were paid by each fund over the last year. The report also provides information about the extent of cover provided for hospital, medical and general treatment, and any state based differences in coverage. The selection of indicators used in this report is not intended to represent the full range of factors that should be considered when comparing the performance of health funds. The range of indicators has been limited to those for which there is reliable comparative information available.

KEY CONSUMER ISSUES

Increase in complaints about private health insurance

There has been a significant increase in consumer complaints about private health insurance in the last three years. In 2015–16 the Private Health Insurance Ombudsman (PHIO) received 4416 complaints, an increase from 4,265 in 2014–15 and 3427 in 2013–14. An analysis of the matters raised with the office shows that complaints increased across a broad range of health insurers and concerned a wide range of consumer issues. See *Commonwealth Ombudsman Annual Report 2015–16* on Ombudsman.gov.au for further complaints information and trends.

Compared to 2014–15, the most significant increases in complaints were those related to membership (administration) issues and service problems.

The PHIO saw an increase in requests for assistance from consumers waiting for refunds from cancelled

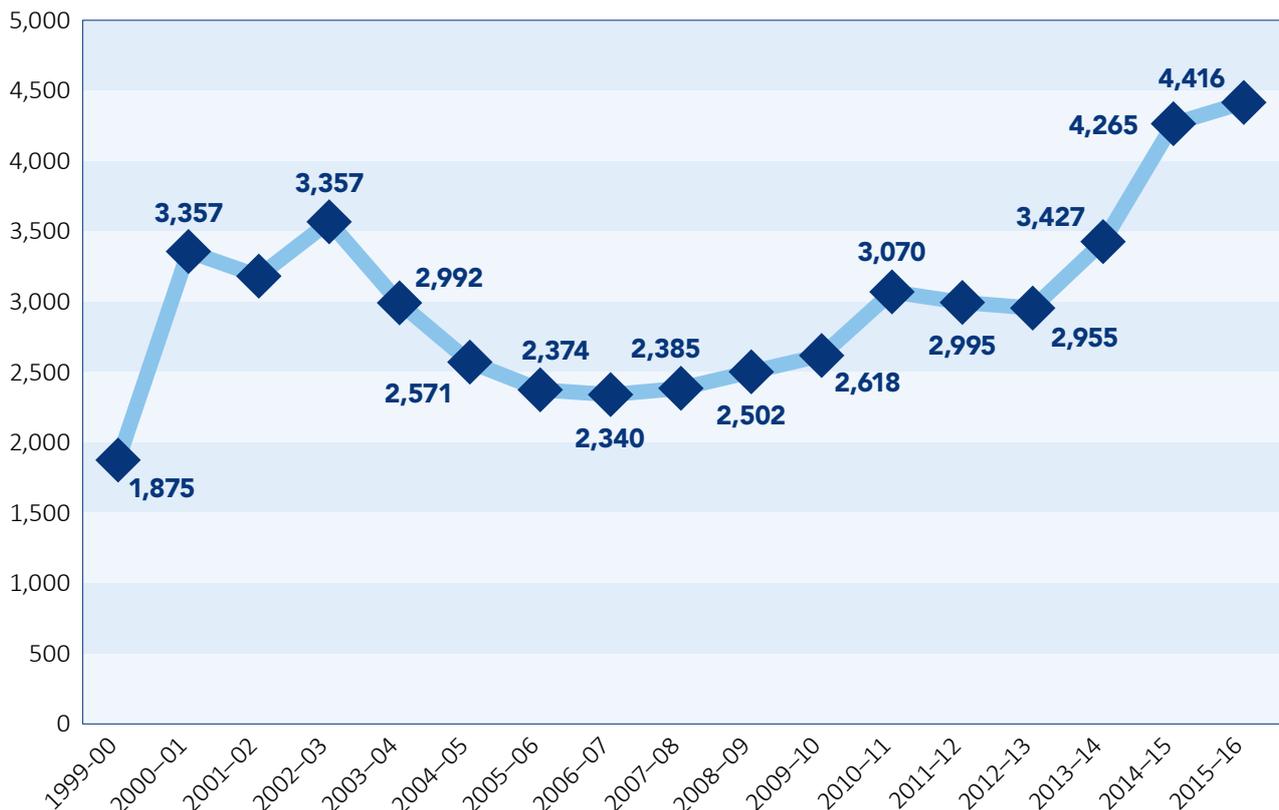
memberships and those waiting for ‘transfer/clearance certificates’ to establish their private health insurance history when moving from one insurer to another.

Service problems experienced by consumers included delays or problems in responding to queries and problems with automated payments from bank accounts and credit cards.

Overall, the industry performed well in handling complaints from consumers experiencing these types of problems when it is considered that the PHIO handled 1,551 service and membership complaints for an industry that covers over thirteen million Australians.

However, to address the causes behind the increase in complaints, the PHIO has worked with the insurers who have generated higher than average complaints so they can address the concerns raised by consumers and improve their practices, and ultimately reduce complaints.

Figure 1: Total complaints by year received by the Private Health Insurance Ombudsman



Detrimental rule changes and the Australian Consumer Law

During 2015–16, the Australian Competition and Consumer Commission (ACCC) released a report to the Australian Senate titled *Communicating changes to private health insurance benefits*.² The report highlights the problem that, while health insurers may be complying with health insurance regulations and the Private Health Industry Code of Conduct when notifying their members of detrimental changes to policies, they still have broader obligations under the Australian Consumer Law to consider.

The ACCC's report also outlines some poor insurer practices when communicating to health insurance consumers. The PHIO has also observed this issue when handling consumer complaints from those who have experienced a reduction in benefits and found they were not advised or were poorly advised about changes to their policies.

The PHIO has raised the ACCC's report with health insurers who have made, or are considering making a detrimental change to benefits. We encourage all insurers to carefully consider the recommendations made in the report and to improve on, and learn from past experiences.

From the PHIO's experience in listening to consumer concerns about changes to benefits, it seems that there is little understanding amongst consumers that health insurance products can change over time. It would be preferable for health insurers to provide this advice clearly at the point of sale or upgrade, rather than providing it in fine print at the end of membership guides. If consumers understand that from time to time the insurer may write to them and change their policy, then they are less likely to overlook important letters or emails and to be aware of how policy changes affect them.

The PHIO will continue investigating instances where there has been poor communication of detrimental rule changes. In considering allegations that an insurer did not properly notify affected members of a reduction in benefits, we consider the following key questions:

1. Did the communication unambiguously state that the change was a negative one? Was this message mixed up with positive marketing material?

From the perspective of the consumer, who is likely to have several companies writing to them regularly, an insurer is obliged to ensure important communications are not overlooked because they resemble inessential sales and marketing material. This is particularly important when considering subject lines used in email

messages – the PHIO encourages insurers to use clear and descriptive language to indicate the email contains detrimental or negative changes. Unfortunately the phrase “important changes to your policy” does not make it sufficiently clear to the consumer that the email contains a detrimental change or reduction in benefits.

2. Did the insurer use the address or email address at which the policyholder expected to receive important communications?

The PHIO has observed instances where insurers regularly wrote to a consumer by post, but then switched to email for an important notification, or vice versa. Switching the method of communication when notifying a reduction in benefits can cause some consumers to miss important messages. It is important for communications to be consistent so that consumers don't overlook messages.

3. Was the consumer notified of their options to upgrade or transfer with continuity to a policy to maintain a benefit?

It is important not to be silent about a consumer's ability to maintain their benefits by upgrading or transferring to another policy. Looking at this issue from the perspective of the policy holder, the PHIO can appreciate that policyholders may feel aggrieved to learn that they missed out on the opportunity to transfer to a new policy without waiting periods.

The PHIO recommends making upgrade and transfer options clear in the communication to the consumer, rather than offering a statement that a consumer can contact a call centre to discuss their needs. This isn't particularly helpful advice because it does not convey the message that a person does not lose their existing benefits if they switch to an appropriate policy before the effective date of the policy change.

4. Had the policyholder commenced the policy shortly before the change and were they notified at commencement that it was about to change?

The PHIO's view is that there can be a problem when a consumer has spent time and effort selecting a policy, only to have it changed shortly afterwards. There is an obligation on the insurer to ensure that changes to policies are communicated to people who commence policies during the lead up to a change in benefits. The PHIO is aware of instances where there seems to be a communication problem between the marketing/ planning sections of a health insurer and its sales area, meaning that sales staff continue to sell policies which are shortly to become eliminated or to undergo major detrimental changes.

In instances where it is identified that a consumer was not made aware of an impending change to a policy, for whatever internal business reason, the PHIO's view is

² <http://www.accc.gov.au/publications/private-health-insurance-reports/private-health-insurance-report-2014-15>

that the consumer has a special case to remain under the old policy conditions for an extended period of time, or that some other measure should be taken to address the consumer's complaint.

Provision of health insurance information

Consumers have a wide range of choice when it comes to selecting a health insurance policy in the Australian market. As at February 2017, the PHIO estimates that there are up to 230 hospital policies, up to 157 general treatment policies and up to 186 packaged combinations of hospital and general treatment policies for sale to the average consumer.³ There are further policies available to those who can access restricted insurers, and additional options for those wanting to mix and match hospital and general treatment policies.

Health insurance consumers looking to purchase a policy are able to make use of a range of tools to assist them choosing between insurers:

1. The website Privatehealth.gov.au lists all the policies and prices available for sale and provides a search facility to select a policy. As a government website, it is designed to show every policy option available to consumers without guiding the consumer to any particular insurer.
2. Consumers who want a service that provides more specific recommendations are able to use a commercial health insurance broker. Some consumers are happy to use a broker service and understand that there would be some form of payment for the service, which the insurer pays to the broker.
3. Health insurance recommendations and advice is provided by consumer organisations such as *Choice Magazine* and the Australian Consumers Association, who provide regular information to their membership.

From the perspective of the PHIO and the yearly discussions we have with more than 8,000 consumers and complainants, the main problem with information provision is not the number of policies available when a consumer is purchasing a policy, but with the challenges of understanding and using a health insurance policy once it has been purchased.

Confusion over understanding the terminology used by health insurers and what these mean to an individual consumer when they are seeking to claim from their policy are the overriding themes of most of the complaints received by the PHIO.

Examples of terms where the 'fine print' meaning varies widely between insurers include: 'obesity and weight loss surgery'; 'minor knee/gynaecological/eye surgery'; 'major dental'; 'emergency treatment'; 'emergency ambulance'; 'accidental injury'; and 'joint replacement'.

While each insurer develops its own specific definition of the terms contained in its fund rules, the problem is that these terms also have a broad meaning within the general population and the medical profession. In instances where the general meaning of a term conflicts with a more restrictive definition set by the insurer, a consumer can feel aggrieved that the policy has not met their expectations and the insurer is being unreasonable.

The current reform of health insurance being considered by the government, and in particular its work on simplifying and standardising terms used by health insurers, is a welcome change which will hopefully reduce the incidence of problems for consumers.

The performance of private health insurers

During the reporting year 2015–16 the health insurance industry returned 86.1% of contributions to policy holders in paying benefits towards hospital and general treatment costs. This compares to the previous year where 87.1% of contributions were returned.⁴

There are significant differences in performance between insurers in with some returning over 90% of contributions as benefits compared to the industry average of 86.1%.

There are many variables that contribute to the reported performance of an insurer, ranging from its geographic location in Australia to the age composition of its membership and level of surplus/profit or loss. However, the overall return of benefits to contributors is an easy to understand method of comparing different health insurers and how they have performed in providing for the needs of their contributors.

In addition to the financial performance of an insurer, the PHIO considers that the incidence of complaint is a good measure of an insurer's performance as it is an indicator of which insurers are better at providing benefits and services to policy holders.

³ PHIO Quarterly Bulletin 81 provides further information on the number of policies available to consumers.

⁴ Australian Prudential Regulation Authority: *Operations of the Private Health Insurers Report 2015–16 and 2014–15* <http://apra.gov.au/PHI/Publications/Pages/Operations-of-Private-Health-Insurers-Annual-Report.aspx>

Consumer information website — Privatehealth.gov.au

The consumer website Privatehealth.gov.au was introduced in 2007, publishing Standard Information Statements from all funds as well as providing general private health insurance information. The website has allowed many consumers to compare health insurance policies since it was introduced and its usage has increased annually.

The website aims to foster competition in the industry by helping consumers compare and choose health insurance policies. The website also provides an interface to assist funds in meeting their obligations to provide up-to-date Standard Information Statements.

Since the website's establishment, the number of annual unique visitors has increased from 145,000 in 2007–08 to almost 1.2 million in 2015–16.

Year	Unique Visitors
2013–14	899,841
2014–15	1,054,858
2015–16	1,173,644

Helping consumers understand private health insurance

In addition to the resources available on Privatehealth.gov.au, the PHIO provides a number of resources that enable consumers to better understand their health insurance and assist them in making informed choices about their health care. These consumer information services help address the key causes of complaints as expressed by complainants to the PHIO.

The PHIO helps consumers understand their benefit entitlements so they are more knowledgeable about their cover and can make more informed choices about their health insurance and medical treatment. The PHIO's fact sheets and brochures aim to address common causes of complaints by providing advice to consumers based on our complaint handling experience. These are available at Ombudsman.gov.au.

The PHIO has developed a number of brochures, including:

- **The Right to Change** — A consumer guide to transferring from one health insurance product to another;
- **10 Golden Rules of Private Health Insurance** — Ten tips to help avoid problems with your health insurance;
- **About Our Service** — PHIO's commitment to service;
- **Making A Complaint** — What to do if you want to make a complaint;
- **Health Insurance Choice** — Choosing a Health Insurance Policy;
- **Privatehealth.gov.au** — Australia's leading independent source of information about private health insurance;
- **Doctors Bills** — Managing doctor's bills and potential out-of-pocket costs; and
- **Waiting Periods for Health Insurance** — How and why waiting periods work, including pre-existing conditions.

The PHIO has also developed a number of fact sheets, including:

- **Obstetrics and Pregnancy:** questions to ask your fund if you're planning to start a family;
- **Premium Increases:** the reasons and processes behind premium increases;
- **Informed Financial Consent:** your right to ask about fees when going to hospital;
- **Membership Arrears:** keeping your policy payments up to date;
- **Policy Exclusions and Restrictions:** what isn't covered on your policy;
- **Mental Health Treatment and Health Insurance:** cover for psychiatric services, rehabilitation and psychology;
- **Plastic and Reconstructive Surgery:** items your policy may not cover;
- **Clearance Certificates:** what to do if transferring between funds;
- **Assisted Reproductive Services:** what can be covered for IVF, GIFT and related services;
- **Podiatric Surgery:** cover for surgical treatment from podiatric surgeons;
- **The Pre-Existing Conditions Rule:** how it applies and PHIO's role in complaints;
- **Dental and Oral Surgery:** how private health insurance covers dental surgery;
- **Orthodontic Treatment:** what it involves and how it's covered by private health insurance; and
- **Insulin Pumps:** how private health insurance covers insulin pumps.

HEALTH FUND LISTING AND CONTACT DETAILS

The following tables lists all Australian registered health funds. The 'open' membership funds provide policies to the general public. The 'restricted' funds provide policies only through specific employment groups, professional associations or unions.

Table 1A: Open membership health funds

Abbreviation	Full name or other names	Phone no.	Website
Australian Unity	Australian Unity Health Ltd	132 939	www.australianunity.com.au
BUPA	Bupa Australia Pty Ltd	134 135	www.bupa.com.au
CBHS Corporate*	CBHS Corporate Pty Ltd	1300 586 462	www.cbhscorporatehealth.com.au
CDH	CDH Benefits Fund Ltd	02 4990 1385	www.cdhbf.com.au
CUA Health	CUA Health Ltd	1300 499 260	www.cua.com.au/health
GMHBA	GMHBA Ltd, Frank, Budget Direct	1300 446 422	www.gmhba.com.au
GU Corporate	Grand United Corporate Health	1800 249 966	www.guhealth.com.au
HBF	HBF Health Ltd	133 423	www.hbf.com.au
HCF	Hospitals Contribution Fund of Australia	131 334	www.hcf.com.au
HCI	Health Care Insurance Ltd	1800 804 950	www.hcilt.com.au
Health.com.au	Health.com.au	1300 199 802	www.health.com.au
Health Partners	Health Partners Ltd	1300 113 113	www.healthpartners.com.au
HIF	Health Insurance Fund of Australia Ltd	1300 134 060	www.hif.com.au
Latrobe	Latrobe Health Services	1300 362 144	www.latrobehealth.com.au
MDHF	Mildura Health Fund Ltd	03 5023 0269	www.mildurahealthfund.com.au
Medibank	Medibank Private Ltd Australian Health Management	132 331 134 246	www.medibank.com.au www.ahm.com.au
NIB	NIB Health Funds Ltd, Qantas Assure, APIA	131 463	www.nib.com.au
Onemedifund	National Health Benefits Australia Pty Ltd	1800 148 626	www.onemedifund.com.au
Peoplecare	Peoplecare Health Limited	1800 808 690	www.peoplecare.com.au
Phoenix	Phoenix Health Fund Ltd	1800 028 817	www.phoenixhealthfund.com.au
QCH	Queensland Country Health Fund Ltd	1800 813 415	www.qldcountryhealth.com.au
St Lukes	St. Lukes Health	1300 651 988	www.stlukes.com.au
Transport Health	Transport Health Pty Ltd	1300 806 808	www.transporthealth.com.au
Westfund	Westfund Limited	1300 937 838	www.westfund.com.au

* CBHS Corporate commenced operations after the end of the reporting period and for this reason does not appear elsewhere in the report.

Table 1B: Restricted membership health funds

Abbreviation	Full name or other names	Phone no.	Website
ACA	ACA Health Benefits Fund	1300 368 390	www.acahealth.com.au
CBHS	CBHS Health Fund Ltd	1300 654 123	www.cbhs.com.au
Defence Health	Defence Health Ltd	1800 335 425	www.defencehealth.com.au
Doctors' Health	The Doctors' Health Fund	1800 226 126	www.doctorshealthfund.com.au
Emergency*	Emergency Services Health Pty Ltd	1300 703 703	www.eshealth.com.au
Navy	Navy Health Ltd	1300 306 289	www.navyhealth.com.au
Nurses*	Nurses and Midwives Health Pty Ltd	1300 703 703	www.nmhealth.com.au
Police Health	Police Health	1800 603 603	www.policehealth.com.au
RT Health Fund	Railway and Transport Health Fund Ltd	1300 886 123	www.rthealthfund.com.au
Reserve Bank	Reserve Bank Health Society Ltd	1800 027 299	www.myrbhs.com.au
Teachers Health	Teachers Health Fund	1300 728 188	www.teachershealth.com.au
TUH	Teachers' Union Health Fund	1300 360 701	www.tuh.com.au

*Emergency Services Health and Nurses & Midwives Health commenced operations after the end of the reporting period and for this reason do not appear elsewhere in the report.

SERVICE PERFORMANCE

The level of complaints that the PHIO receives about a fund, relative to its market share, is a reasonable indicator of the service performance of most funds.

Whether a fund can attract new members and, more importantly, retain members is also an indicator of member satisfaction.

Member retention

The member retention indicator is used as one measure of the comparative effectiveness of health funds and their level of member satisfaction. This indicator measures what percentage of fund members (hospital memberships only) have remained with the fund for two years or more. Figures are not adjusted for policies that lapse when a member dies, as these are not reported to APRA.

Most restricted membership funds rate well on this measure compared to open membership funds. This may be due to the particular features of restricted membership funds, especially their links with employment.

Membership change

The membership change indicator shows the change in the number of policy holders over the year from 30 June 2015 to 30 June 2016. Both the percentage change and number are included. Negative figures indicate that the fund has experienced a net reduction in membership over the period. As indicated above, member deaths would account for some of this figure.

PHIO complaints in context

The number of complaints received by the PHIO is very small compared to fund membership.

There are a number of factors (other than service performance) that can influence the level of complaints the PHIO receives about a fund. These include the information provided to fund members about the PHIO through general publicity or by the fund and the effectiveness of the fund's own complaint handling process.

Complaints percentage compared to market share percentage

The first table includes all funds with a national market share of 0.5% or more.

In that table each fund's market share (as at 30 June 2016) is shown in the 'market share' column. Subsequent columns show the percentage of the PHIO complaints in various categories, received about each fund. These percentages should be compared with the market share percentage. If a fund has a higher complaints percentage than its market share, it indicates that members of that fund are more likely, on average, to complain than all fund members.

The table also indicates what percentage of Benefit and Service complaints are received about each fund:

Benefit complaints include problems of non-payment, delayed payment, the level of benefit paid, or the level of gap needing to be paid by the member.

Service complaints are about the general quality of service provided by fund staff, the quality of customer service advice, and premium payment problems.

All Complaints takes account of all complaints received by the PHIO about the fund. All Complaints includes Complaints Investigated as well as complaints that were finalised without the need for investigation.

Complaints Investigated is a measure of how many complaints required a higher level of intervention from the Ombudsman. Most complaints to the Ombudsman can be finalised by referring the matter to fund staff to resolve, or by PHIO staff providing information to the complainant. Complaints which fund staff have not been able to resolve to a member's satisfaction are investigated by the Ombudsman's office — so the rating on complaints investigated is an indicator of the effectiveness of each fund's own internal complaints handling.

Smaller funds (less than 0.5% national market share)

For these smaller funds, it is not practical to show the percentage of complaints in each of the above categories because of the very small numbers of complaints.

This separate table therefore shows the actual number of all complaints received and the number of complaints investigated, as well as an indicator of whether the number is below the number expected based on the fund's market share.

While these funds have a very low national market share, many are nonetheless very significant in a particular state or region.

Code of conduct

The self-regulatory code for health funds deals with the quality of advice provided to consumers, and sets standards for training of health fund staff and others responsible for advising consumers about private health insurance. It also requires funds to have effective complaint handling procedures.

Funds that have completed the compliance processes for becoming a signatory to the code are indicated in the table (as at January 2017).

For more information about the Code of Conduct, please see:

<http://www.privatehealthcareaustralia.org.au/codeofconduct/>

Table 2A: Membership retention and complaints

Fund name (abbreviated)	Member retention (hospital cover)	Membership change ¹ % (number)	Complaints % compared to market share %				Code of conduct member
			Market share	Benefits	Service	All complaints	

Open membership funds

Australian Unity	79.5%	1.5% (2905)	3.1%	5.0%	5.7%	5.1%	4.8%	Yes
BUPA	86.1%	2.2% (38,235)	27.0%	22.5%	17.4%	21.7%	28.6%	Yes
CUA Health	79.5%	7.0% (2626)	0.6%	0.3%	0.9%	1.8%	2.5%	Yes
GMHBA	70.0%	8.6% (11,014)	2.1%	1.7%	0.9%	1.4%	0.9%	Yes
HBF ²	88.1%	10.5% (49,949)	8.0%	3.3%	3.9%	3.3%	3.1%	Yes
HCF	84.0%	-0.1 (502)	10.3%	10.9%	8.6%	10.6%	9.6%	Yes
Health.com.au	70.0%	2.0% (770)	0.6%	1.6%	0.3%	1.4%	1.9%	No
Health Partners	89.0%	2.2% (861)	0.6%	0.2%	0.3%	0.3%	0.0%	Yes
HIF	61.6%	5.3% (2945)	0.9%	0.7%	0.5%	0.6%	0.4%	Yes
Latrobe	73.8%	1.6% (680)	0.7%	0.4%	0.2%	0.4%	0.1%	Yes
Medibank	82.0%	-2.5% (45,676)	27.6%	35.4%	52.2%	40.2%	36.8%	Yes
NIB	79.9%	3.8% (19,501)	8.1%	10.6%	5.2%	7.8%	6.1%	Yes
Peoplecare	82.7%	6.5% (2016)	0.5%	0.2%	0.3%	0.2%	0.1%	Yes
Westfund	86.5%	-1.9% (865)	0.7%	0.2%	0.3%	0.3%	0.1%	Yes

Restricted membership funds

CBHS	92.3%	5.1% (4475)	1.4%	1.3%	0.3%	0.9%	1.3%	Yes
Defence Health	90.8%	6.5% (7373)	1.8%	0.7%	0.6%	0.7%	0.9%	Yes
Teachers Health	93.5%	6.4% (8493)	2.2%	2.2%	1.1%	1.2%	0.9%	Yes
TUH	86.90%	13.7% (4368)	0.6%	0.2%	0.2%	0.2%	0.1%	Yes

¹ The industry experienced a growth of 1.35% or 86,939 memberships overall. ² HBF absorbed Healthguard during 2015–16.

Table 2B: Smaller funds (less than 0.5% national market share)

Fund name (abbreviated)	Member retention (hospital cover)	Membership change ¹ % (number)	Number complaints received	Below market share?	Number complaints investigated	Below market share?	Code of conduct member
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Open membership funds

CDH	89.3%	-0.8% (22)	2	No	0	Yes	No
GU Corporate	63.3%	2.3% (649)	17	Yes	5	No	Yes
HCI	90.7%	7.4% (328)	1	Yes	0	Yes	Yes
MDHF	82.0%	2.8% (412)	1	Yes	1	Yes	No
Onemedifund	91.3%	1.1% (64)	1	Yes	0	Yes	Yes
Phoenix	88.2%	7.5% (531)	0	Yes	0	Yes	Yes
QCH	84.9%	9.2% (1855)	2	Yes	0	Yes	Yes
St. Lukes	88.6%	9.0% (2332)	4	Yes	0	Yes	Yes
Transport Health	54.1%	36.1% (2510)	8	No	1	Yes	Yes

Restricted membership funds

ACA	92.5%	0.4% (18)	0	Yes	0	Yes	Yes
Doctors' Health	87.5%	14.6% (1910)	11	No	2	No	Yes
Navy Health	88.5%	4.5% (823)	2	Yes	0	Yes	Yes
Police Health	91.4%	3.4% (676)	1	Yes	0	Yes	Yes
RT Health Fund	89.0%	2.1% (474)	15	Yes	1	Yes	Yes
Reserve Bank	90.3%	2.7% (62)	0	Yes	0	Yes	Yes

¹ The industry experienced a growth of 1.35% or 86,939 memberships overall.



HOSPITAL

This table provides a general comparison of health insurance for private hospital treatment. A higher percentage indicates that, on average, the fund's members are covered for a higher proportion of hospital charges.

It's important to remember most funds offer a choice of different policies — the percentages indicated in this table aren't indicative of any single policy, but are an average of all policies offered by the fund.

Hospital policies

This table provides a general comparison of health insurance for private hospital treatment (hospital policies) provided by each fund.

Hospital policies provide benefits towards the following costs if you elect to be a private patient in a private or public hospital:

- hospital fees for accommodation, operating theatre charges and other charges raised by the hospital;
- the costs of drugs or prostheses required for hospital treatment; and
- fees charged by doctors (surgeons, anaesthetists, pathologists, etc) for in-hospital treatment.

Most funds offer a range of different policies providing hospital cover. These policies may differ on the basis of the range of treatments that are covered, to what extent those treatments are covered, the level of excess or co-payments you may be required to pay if you go to hospital, and the price and discounts available to you.

Hospital charges covered

This column indicates the proportion of total charges associated with treatment of private patients covered by each fund's benefits. This includes charges for hospital accommodation, theatre costs, prostheses and specialist fees (not including the Medicare benefit), excesses or co-payments and associated benefits.

The figures shown are average outcomes across all of each fund's hospital policies. Higher cost policies will generally cover a greater proportion of charges than indicated by this average. Cheaper policies, including those with higher excesses or co-payments, may cover less.

The use of an average figure applying across all of each fund's policies will mean that funds with a high proportion of their membership in lower cost/ restricted and excluded benefit policies will have a lower average figure.

Information is not provided for some funds in some states, where there were insufficient numbers reported to APRA — generally this occurs in states where the fund does not have a large membership.

The information provided in this table presents the position taking account of all of each fund's policies. It is not indicative of any individual policy offered by the fund but is an average for the total fund membership.

Additional information

The separate 'Health Fund Operations' by State or Territory tables in this report includes information on the number of "agreement hospitals" under contract to each fund in each state.

For additional information on the medical gap benefits provided through hospital policies, please refer to the separate 'Medical Gap Schemes' section.

The PHIO brochure 'Health Insurance Choice: Selecting a Health Insurance Policy' includes important advice on what to consider and what questions to ask when selecting a hospital cover policy. It also includes information on government incentives relating to hospital policies such as the 'Medicare Levy Surcharge Exemption' and 'Lifetime Health Cover'. The brochure is available on Ombudsman.gov.au and Privatehealth.gov.au.

PHIO consumer website

The Privatehealth.gov.au website provides information about all private health insurance policies available in Australia, including benefits, prices and agreement hospitals for each health fund.

Table 3: Hospital

Fund name (abbreviated)	% hospital related charges covered ¹							
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT

Open membership funds

Australian Unity	76.8%	87.3%	91.4%	89.5%	92.8%	89.5%	90.2%	82.6%
BUPA	81.0%	88.7%	93.4%	91.0%	95.4%	88.9%	92.8%	90.1%
CDH	73.3%	96.3%	94.0%	93.0%	98.6%	55.2%	100.0%	N/A
CUA Health	75.9%	89.3%	90.1%	92.8%	91.2%	89.3%	92.3%	97.0%
GMHBA	68.8%	79.9%	89.2%	82.9%	84.5%	86.5%	90.7%	79.6%
GU Corporate	85.3%	86.1%	90.4%	88.8%	89.9%	87.5%	92.8%	93.4%
HBF	85.4%	90.5%	94.7%	92.6%	95.4%	95.9%	95.3%	90.1%
HCF	87.9%	92.8%	93.6%	92.5%	95.6%	90.4%	93.8%	90.6%
HCI	92.2%	92.6%	92.7%	92.8%	95.1%	88.4%	95.4%	97.3%
Health.com.au	77.1%	82.1%	85.7%	85.0%	90.1%	85.6%	87.7%	85.5%
Health Partners	78.5%	89.5%	92.4%	90.2%	96.3%	89.7%	95.2%	90.3%
HIF	86.7%	87.2%	90.6%	90.6%	93.6%	92.5%	93.4%	95.5%
Latrobe	75.9%	86.5%	92.3%	89.4%	92.2%	91.5%	92.4%	76.1%
MDHF	73.9%	93.5%	93.5%	89.8%	92.3%	90.9%	95.7%	92.7%
Medibank	82.9%	89.1%	92.8%	90.2%	94.1%	91.0%	93.8%	88.6%
NIB	73.4%	86.4%	85.2%	83.2%	89.1%	82.9%	88.8%	81.0%
Onemedifund	100.0%	91.1%	94.7%	95.2%	96.6%	94.0%	96.2%	N/A
Peoplecare	77.9%	90.4%	92.6%	90.6%	92.2%	92.2%	90.6%	82.4%
Phoenix	83.3%	95.1%	95.8%	94.2%	97.2%	92.4%	98.2%	74.1%
QCH	65.5%	90.6%	93.0%	89.3%	97.2%	92.4%	93.9%	88.6%
St. Lukes	75.5%	92.8%	93.2%	90.9%	94.6%	93.5%	94.5%	86.2%
Transport Health	90.8%	84.9%	93.7%	89.2%	96.3%	75.9%	96.5%	N/A
Westfund	86.3%	89.6%	95.9%	91.0%	96.9%	94.7%	94.2%	94.8%

Restricted membership funds

ACA	80.0%	93.9%	97.1%	95.2%	96.7%	96.7%	88.8%	100.0%
CBHS	83.2%	90.0%	94.3%	93.2%	96.7%	93.2%	95.7%	87.9%
Defence Health	84.1%	90.8%	93.9%	92.5%	95.4%	93.0%	95.2%	93.0%
Doctors' Health	94.3%	93.3%	93.5%	92.8%	90.9%	89.6%	89.2%	92.7%
Navy Health	86.4%	90.6%	94.6%	92.2%	97.3%	94.5%	95.2%	89.0%
Police Health	91.8%	94.4%	94.5%	93.0%	98.3%	93.1%	95.7%	92.7%
RT Health Fund	90.9%	93.0%	94.5%	93.3%	97.6%	86.4%	93.5%	86.0%
Reserve Bank	85.9%	93.1%	97.6%	95.4%	93.1%	96.1%	96.3%	99.8%
Teachers Health	84.6%	91.2%	93.1%	92.3%	95.1%	90.6%	93.6%	93.3%
TUH	90.9%	92.9%	93.6%	92.2%	96.8%	95.5%	92.5%	88.5%

¹ Includes charges for hospital accommodation, theatre costs, prostheses and specialist fees (not including the Medicare benefit) and associated benefits (after any excesses and co-payments are deducted).

Note: N/A signifies no activity in that state. 100% is likely to indicate small numbers (e.g. only 1 episode).



MEDICAL GAP SCHEMES

Health insurer medical gap schemes are designed to eliminate or reduce the out-of-pocket costs incurred by patients for in-hospital medical services. If a service is ‘no gap,’ it means no cost was incurred by the patient as the full cost was covered by Medicare and the health fund. A reduced cost is incurred by the patient for what is called a ‘known gap’ service.

If a health fund has a higher percentage of services covered at no gap than other funds, it indicates the fund has a more effective gap scheme in that state. The figures provided are averages — it is no guarantee that a particular doctor will choose to use the fund’s gap scheme.

Fund gap schemes and agreements

Doctors are free to decide whether or not to use a particular fund’s gap cover arrangements for each individual patient. Factors that can affect the acceptance of the scheme by doctors include:

- whether the fund has a substantial share of the health insurance market in a particular state or region;
- the level of fund benefits paid under the gap arrangements (compared with the doctor’s desired fee); and
- the design of the fund’s gap cover arrangements, including any administrative burden for the doctor.

State-based differences

Information is provided on a state basis because the effectiveness of some funds’ gap schemes can differ between states and these differences are not apparent in the national figures.

Most differences are due to the level of doctor’s fees, which vary significantly between different states, and between regional areas and capital cities. In some states, funds are able to provide more effective coverage of gaps because doctors charge less than the national average. In addition, where a doctor’s fee for an in-hospital service is at or below the Medicare Benefits Schedule fee, there will be no gap to the fund member.

If a health fund’s percentage of services with no gap is higher than that of a fund in another state, it does not necessarily mean the fund’s scheme is more effective, because state based differences could be the cause.

Information is not provided for some funds in some states, as the numbers are not reported to APRA for states in which the fund does not have a sufficiently large membership (in which case, these figures are included with figures for the state in which a fund has the largest number of members).

Comparing different gap schemes

If a health fund has a higher percentage of services covered at no gap (in the same state/territory) compared with another fund, it is an indicator of a more effective gap scheme in that state. Over the whole fund, it is more likely that a medical service can be provided at no cost to the consumer, but it is no guarantee that a particular doctor will choose to use the fund’s gap scheme.

Percentage of Services With No Gaps —

The proportion of services for which a gap is not payable by the patient after the impact of fund benefits, schemes and agreements.

Percentage of Services with No Gap or Where Known Gap Payment Made —

This table includes both the percentage of no gap services and what is called “known gap” services. Known gap schemes are an arrangement where the fund pays an additional benefit on the understanding that the provider advises the patient of costs upfront.

These tables take into account all of the fund’s policies. The information in the tables is not indicative of any individual policy offered by the fund but is an average for the total fund membership.

Table 4A: Medical services with no gap

Fund name (abbreviated)	% of services with no gap							
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT

Open membership funds

Australian Unity	82.3%	90.7%	94.0%	93.6%	94.8%	90.3%	92.7%	88.0%
BUPA	75.2%	83.9%	85.4%	80.6%	84.3%	71.2%	88.6%	81.8%
CDH	55.6%	87.7%	61.7%	60.6%	58.8%	38.9%	100.0%	N/A
CUA Health	69.4%	88.9%	88.3%	93.3%	89.9%	85.3%	89.7%	96.0%
GMHBA	48.8%	70.4%	73.0%	75.2%	72.3%	63.6%	70.2%	56.6%
GU Corporate	84.1%	86.3%	93.0%	90.3%	94.9%	82.6%	90.4%	95.9%
HBF	57.9%	82.1%	85.5%	80.1%	73.1%	86.2%	69.8%	58.8%
HCF	77.7%	86.6%	80.9%	84.9%	81.9%	77.1%	81.3%	80.2%
HCI	94.2%	89.4%	88.5%	90.1%	89.4%	87.1%	92.1%	92.7%
Health.com.au	70.5%	81.8%	86.1%	86.6%	87.4%	81.9%	88.2%	82.8%
Health Partners	63.0%	85.7%	87.8%	90.8%	94.7%	76.6%	87.5%	72.5%
HIF	79.8%	81.6%	87.5%	87.4%	89.0%	87.9%	85.4%	94.4%
Latrobe	39.5%	74.0%	83.8%	79.0%	77.2%	74.8%	67.8%	33.9%
MDHF	36.4%	82.5%	82.1%	72.7%	73.5%	56.9%	45.4%	14.3%
Medibank	79.5%	87.6%	83.6%	87.4%	90.3%	77.5%	92.9%	77.5%
NIB	63.6%	86.0%	84.8%	80.6%	84.7%	72.5%	81.4%	66.4%
Onemedifund	100.0%	89.0%	89.5%	92.7%	91.7%	85.5%	95.2%	N/A
Peoplecare	77.5%	91.0%	90.1%	90.8%	92.2%	88.1%	94.9%	89.5%
Phoenix	53.8%	91.9%	91.5%	90.3%	93.9%	88.4%	90.6%	93.3%
QCH	53.8%	88.2%	91.8%	90.7%	92.4%	86.4%	96.8%	76.3%
St. Lukes	88.5%	84.0%	82.9%	77.8%	81.6%	58.2%	90.5%	98.5%
Transport Health	74.7%	87.0%	91.7%	92.1%	98.3%	66.7%	85.0%	N/A
Westfund	72.2%	83.8%	85.3%	83.4%	86.8%	90.7%	79.4%	80.3%

Restricted membership funds

ACA	73.4%	90.6%	94.6%	94.5%	89.1%	89.6%	97.5%	100.0%
CBHS	80.7%	87.6%	92.0%	92.4%	92.4%	89.6%	93.5%	89.8%
Defence Health	78.6%	88.5%	91.7%	92.3%	92.2%	88.4%	93.5%	86.4%
Doctors' Health	91.9%	92.6%	92.6%	94.6%	90.4%	91.7%	89.5%	90.4%
Navy Health	79.7%	87.8%	91.5%	90.8%	95.5%	88.3%	96.5%	89.1%
Police Health	67.8%	85.5%	86.9%	89.0%	93.4%	84.1%	91.6%	83.7%
RT Health Fund	82.4%	92.6%	92.1%	93.2%	94.4%	77.7%	90.2%	85.3%
Reserve Bank	76.9%	89.0%	93.6%	93.1%	95.1%	90.5%	83.4%	97.1%
Teachers Health	78.9%	89.4%	90.6%	92.7%	92.5%	86.9%	93.3%	89.6%
TUH	83.8%	88.6%	87.8%	92.8%	96.2%	86.8%	90.2%	87.5%

Note: N/A indicates no activity in that state.

Table 4B: Medical services with no gap or where known gap payment made

Fund name (abbreviated)	% of services with no gap or where known gap payment made							
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT

Open membership funds

Australian Unity	93.6%	96.1%	98.9%	96.9%	99.1%	95.6%	97.3%	94.1%
BUPA	82.2%	87.9%	89.6%	83.5%	88.7%	75.2%	91.8%	86.7%
CDH	100.0%	97.0%	88.9%	83.7%	92.2%	100.0%	100.0%	N/A
CUA Health	88.8%	95.6%	97.4%	97.6%	97.6%	91.0%	94.6%	100.0%
GMHBA	72.7%	84.5%	85.7%	87.5%	93.3%	78.1%	86.6%	81.8%
GU Corporate	90.7%	91.5%	98.2%	95.3%	96.8%	91.8%	99.5%	96.3%
HBF	89.0%	95.0%	97.7%	93.8%	94.3%	99.4%	88.9%	90.4%
HCF	94.0%	97.4%	99.2%	98.6%	99.8%	96.5%	99.5%	97.6%
HCI	96.0%	95.0%	96.9%	97.2%	97.6%	96.0%	98.4%	96.6%
Health.com.au	93.0%	92.5%	96.4%	93.8%	97.6%	92.5%	96.5%	96.6%
Health Partners	93.2%	94.5%	94.9%	96.0%	99.6%	93.9%	92.8%	96.3%
HIF	93.6%	92.5%	96.6%	94.9%	98.6%	95.8%	95.9%	100.0%
Latrobe	94.4%	97.5%	99.3%	97.3%	99.4%	94.5%	95.9%	100.0%
MDHF	63.6%	96.1%	96.1%	89.6%	94.7%	76.9%	82.2%	100.0%
Medibank	92.4%	94.9%	91.7%	92.0%	98.3%	88.0%	97.8%	93.5%
NIB	63.6%	86.0%	84.8%	80.6%	84.7%	72.5%	81.4%	66.4%
Onemedifund	100.0%	95.2%	97.4%	97.3%	97.9%	93.8%	100.3%	N/A
Peoplecare	89.7%	96.4%	98.5%	96.7%	99.2%	94.8%	98.6%	94.2%
Phoenix	93.8%	98.2%	98.9%	97.8%	99.7%	97.4%	95.8%	93.3%
QCH	75.0%	94.8%	97.5%	96.9%	100.0%	91.3%	99.1%	93.8%
St. Lukes	92.6%	88.8%	87.6%	81.8%	90.0%	64.6%	98.0%	100.0%
Transport Health	91.6%	94.5%	98.4%	97.1%	100.0%	92.4%	90.3%	N/A
Westfund	88.6%	88.5%	96.8%	91.0%	98.8%	96.5%	83.4%	97.4%

Restricted membership funds

ACA	91.4%	96.0%	98.8%	97.5%	99.2%	96.2%	99.6%	100.0%
CBHS	94.2%	94.8%	98.0%	96.6%	98.6%	95.2%	97.9%	95.5%
Defence Health	92.9%	95.8%	98.6%	97.1%	99.5%	95.2%	98.6%	95.3%
Doctors' Health	98.4%	98.2%	98.5%	98.9%	99.4%	97.1%	96.7%	96.2%
Navy Health	92.6%	95.3%	98.5%	96.9%	99.4%	95.1%	98.7%	97.1%
Police Health	86.1%	94.8%	94.2%	95.8%	99.5%	91.7%	97.1%	94.7%
RT Health Fund	90.8%	97.4%	98.3%	97.4%	99.2%	90.2%	97.9%	93.1%
Reserve Bank	98.1%	96.0%	99.2%	97.5%	99.5%	97.1%	94.2%	100.0%
Teachers Health	93.0%	96.0%	98.2%	97.1%	99.3%	94.4%	98.0%	96.4%
TUH	94.0%	95.0%	96.9%	97.1%	99.5%	99.0%	96.9%	97.3%

Note: N/A indicates no activity in that state.

GENERAL TREATMENT (EXTRAS)

General Treatment or Extras policies provide benefits towards a range of out-of-hospital health services. The most commonly included services are dental, optical, physiotherapy and non-Pharmaceutical Benefits Scheme prescription medicines.

The first table shows the average proportion of service charges covered by each fund for all their policies and services. The second table shows the information according to the service being covered. Generally, higher-cost policies cover a higher proportion of charges.

General treatment

General Treatment policies, also known as ‘Ancillary’ or ‘Extras’,⁵ provide benefits towards a range of health related services not provided by a doctor, including, but not limited to:

- dental fees and charges;
- optometry: cost of glasses and lenses;
- physiotherapy, chiropractic services and other therapies including natural and complementary therapies; and
- prescribed medicines not covered by the Pharmaceutical Benefits Scheme.

Percentage of charges covered, all services, by state

This table indicates what proportion of total charges, associated with general treatment services, is covered by each fund’s benefits. This averages outcomes across all of each fund’s general treatment policies and services. Higher cost policies will generally cover a greater proportion of charges than indicated by this average, while cheaper policies may cover less.

Average costs covered for each service type

This additional table provides information on the proportion of the total charge for each service type covered by each fund on average, across all of the fund’s general treatment policies.

This is intended to provide a broad comparative indicator of fund general treatment benefits to allow comparisons between funds and should not be regarded as an indicator of how much of a bill for any particular service will be covered.

Ambulance

Some funds do not provide ambulance cover through any of their general treatment policies but offer this as a component of hospital cover. These funds show as ‘n/a’ under the ambulance column. Most ambulance services in Queensland and Tasmania are provided free to residents of those states.

Preferred providers

Many funds establish ‘preferred provider’ or ‘participating provider’ arrangements with some suppliers of general treatment services. Those providers offer an agreed charge for fund members, resulting in lower out-of-pocket costs for members after fund benefits are taken into account. It is usually worth checking with your fund to see if a suitable preferred provider is available in your area.

Fund dental and eyecare centres

In some states, some funds operate their own dental and optical centres. These are usually only located in capital cities or major population centres.

Consumers who choose to use a fund’s own dental or optical centres will normally get services at a lower out-of-pocket cost.

⁵ Also known as “Essentials” cover in Western Australia

Additional information

The PHIO brochure 'Health Insurance Choice: Selecting a Health Insurance Policy' includes important advice on what to consider and what questions to ask when selecting a general treatment policy. The brochure is available on Ombudsman.gov.au.

PHIO's consumer website Privatehealth.gov.au website provides information about all private health insurance policies available in Australia, including benefits, prices and which hospitals a health fund has agreements with.

Table 5A: General treatment (extras)

Fund name (abbreviated)	% General treatment (extras) charges covered							
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT

Open membership funds

Australian Unity	44.7%	47.3%	50.9%	50.3%	53.6%	49.6%	47.4%	48.8%
BUPA	45.9%	50.1%	49.3%	53.5%	54.6%	57.5%	51.4%	55.7%
CDH	33.3%	39.1%	43.1%	42.4%	39.2%	35.5%	41.4%	N/A
CUA Health	45.6%	56.3%	53.4%	51.0%	52.8%	41.4%	48.3%	42.9%
GMHBA	50.3%	54.7%	49.6%	53.9%	55.2%	51.0%	49.7%	52.6%
GU Corporate	74.9%	74.2%	74.9%	72.4%	74.0%	76.8%	72.0%	79.3%
HBF	48.7%	51.4%	51.2%	52.0%	56.3%	57.3%	55.6%	57.6%
HCF	46.7%	49.0%	54.4%	56.2%	59.0%	52.2%	46.5%	47.1%
HCI	41.5%	50.4%	51.3%	49.2%	48.1%	45.8%	48.0%	47.7%
Health.com.au	52.4%	53.7%	45.7%	53.0%	55.9%	56.8%	53.9%	53.0%
Health Partners	40.6%	39.1%	44.7%	42.4%	57.2%	40.9%	41.0%	44.6%
HIF	41.3%	48.2%	47.7%	48.2%	52.1%	48.6%	48.5%	44.7%
Latrobe	32.3%	42.7%	37.1%	36.1%	39.8%	39.9%	35.0%	31.0%
MDHF	45.4%	54.3%	54.9%	52.7%	51.8%	49.3%	49.9%	48.5%
Medibank	47.5%	52.3%	53.4%	55.4%	58.8%	57.8%	54.4%	59.5%
NIB	54.6%	54.2%	59.5%	56.3%	60.4%	59.9%	55.4%	58.3%
Onemedifund	45.7%	51.6%	53.4%	51.7%	55.6%	52.0%	54.2%	N/A
Peoplecare	46.8%	50.6%	49.6%	47.7%	42.7%	45.3%	52.0%	47.1%
Phoenix	48.1%	54.5%	55.3%	55.3%	56.8%	52.8%	50.0%	59.3%
QCH	48.2%	51.6%	50.3%	54.3%	51.8%	50.5%	54.5%	48.8%
St. Lukes	54.7%	61.6%	58.1%	58.5%	66.1%	55.4%	61.0%	58.5%
Transport Health	47.1%	50.7%	56.8%	52.0%	54.3%	49.7%	51.7%	50.3%
Westfund	40.1%	47.9%	43.9%	49.3%	47.7%	48.3%	47.2%	46.3%

Restricted membership funds

ACA	63.1%	61.2%	62.3%	63.4%	63.2%	60.9%	60.8%	73.8%
CBHS	45.2%	50.0%	52.0%	52.8%	55.2%	52.0%	50.3%	47.3%
Defence Health	43.9%	47.9%	50.5%	50.3%	53.5%	49.6%	47.4%	49.1%
Doctors' Health	54.1%	53.5%	54.6%	55.3%	59.2%	55.4%	50.6%	57.8%
Navy Health	45.2%	50.6%	40.0%	52.4%	56.4%	52.6%	48.6%	47.8%
Police Health	63.3%	66.5%	68.2%	68.6%	70.4%	69.6%	67.2%	69.5%
RT Health Fund	47.0%	51.3%	48.7%	49.7%	51.8%	49.0%	47.9%	51.7%
Reserve Bank	68.5%	72.6%	78.4%	76.0%	79.1%	78.3%	72.7%	85.2%
Teachers Health	43.9%	50.0%	50.8%	50.5%	53.0%	49.8%	49.7%	47.7%
TUH	47.6%	50.6%	48.5%	54.8%	53.2%	46.5%	51.4%	47.4%

Note: N/A indicates no data was available

Table 5B: General Treatment (extras) — Average Amount of Costs Covered by Service

Fund	Dental ¹	Optical ¹	Physio-therapy	Chiro-practic	Pharmacy	Podiatry	Natural therapies	Ambulance	Acu-puncture	Psych./ Group therapy	Preven-tative health	Hearing aids & audiology	Occu-pational therapy
Open membership funds													
Australian Unity	46%	65%	63%	46%	42%	49%	46%	99%	40%	35%	66%	16%	48%
BUPA	54%	56%	51%	52%	37%	47%	38%	100%	43%	42%	28%	20%	33%
CDH	44%	94%	50%	44%	48%	32%	26%	100%	47%	21%	8%	N/A	15%
CUA Health	54%	62%	42%	44%	26%	46%	41%	100%	47%	37%	49%	47%	42%
GMHBA	51%	58%	45%	49%	41%	48%	43%	90%	45%	43%	27%	25%	41%
GU Corporate	75%	67%	82%	79%	55%	77%	80%	N/A	78%	78%	53%	18%	87%
HBF	61%	55%	44%	44%	49%	49%	47%	99%	42%	41%	73%	29%	48%
HCF	55%	56%	43%	44%	38%	42%	33%	100%	33%	45%	52%	29%	45%
HCI	50%	49%	44%	52%	49%	49%	51%	100%	44%	33%	58%	44%	50%
Health.com.au	46%	47%	61%	62%	36%	66%	61%	100%	59%	55%	N/A	N/A	56%
Health Partners	59%	54%	59%	46%	44%	35%	27%	100%	32%	36%	68%	33%	41%
HIF	50%	59%	39%	39%	44%	39%	24%	99%	24%	36%	34%	30%	37%
Latrobe	34%	54%	35%	38%	25%	39%	26%	78%	44%	31%	27%	15%	43%
MDHF	61%	54%	45%	49%	26%	46%	42%	82%	35%	27%	N/A	18%	33%
Medibank	52%	68%	50%	55%	28%	54%	54%	100%	47%	38%	64%	27%	38%
NIB	57%	54%	59%	58%	45%	57%	54%	100%	56%	52%	49%	20%	57%
Onemedifund	56%	52%	54%	48%	39%	49%	41%	100%	38%	47%	72%	29%	43%
Peoplecare	49%	64%	42%	43%	29%	41%	40%	100%	44%	39%	69%	33%	42%
Phoenix	59%	63%	53%	52%	39%	54%	36%	99%	40%	45%	50%	41%	50%
QCH	54%	58%	50%	63%	35%	68%	42%	N/A	46%	49%	52%	38%	41%
St. Lukes	63%	65%	50%	56%	44%	48%	43%	89%	44%	49%	50%	48%	53%
Transport Health	59%	59%	48%	58%	37%	55%	43%	100%	38%	31%	56%	31%	32%
Westfund	53%	49%	39%	53%	39%	40%	39%	100%	36%	35%	53%	36%	58%

Note: All percentages based on health fund reporting to APRA.

¹ For some funds, the data does not take account of discounts at some providers or fund Dental / Optical centres.

GENERAL TREATMENT (EXTRAS)

Fund	Dental ¹	Optical ¹	Physio-therapy	Chiro-practic	Pharmacy	Podiatry	Natural therapies	Ambulance	Acu-puncture	Psych./Group therapy	Preventative health	Hearing aids & audiology	Occupational therapy
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Restricted membership funds

ACA	65%	72%	46%	52%	48%	74%	40%	100%	39%	51%	N/A	46%	60%
CBHS	51%	53%	55%	62%	44%	47%	46%	88%	47%	43%	36%	35%	38%
Defence Health	48%	52%	51%	53%	46%	52%	41%	100%	38%	44%	75%	29%	41%
Doctors' Health	58%	57%	50%	na	45%	49%	N/A	N/A	N/A	48%	38%	21%	36%
Navy Health	48%	59%	55%	62%	9%	54%	47%	100%	N/A	44%	100%	28%	37%
Police Health	70%	68%	76%	77%	44%	68%	40%	100%	75%	75%	100%	28%	70%
RT Health Fund	47%	64%	56%	56%	42%	53%	41%	94%	57%	23%	50%	35%	36%
Reserve Bank	74%	72%	75%	75%	60%	78%	79%	100%	73%	79%	34%	72%	70%
Teachers Health	52%	52%	47%	60%	40%	56%	48%	100%	44%	44%	41%	36%	63%
TUH	58%	54%	49%	56%	37%	63%	52%	100%	46%	44%	51%	46%	40%

Note: All percentages based on health fund reporting to APRA.

¹ For some funds, the data does not take account of discounts at some providers or fund Dental / Optical centres.

FINANCES AND COSTS

All health funds are required to meet financial management standards to ensure their members' contributions are protected. Generally, funds aim to set premium levels so their income from contributions covers the expected cost of benefits plus the fund's administration costs.

The percentage of contribution income which goes towards administration and management expenses is a key measure of fund efficiency.

The regulation of health fund finances

The *Private Health Insurance Act 2007* (the Act) specifies solvency and capital adequacy standards for funds to meet and outlines financial management and reporting requirements for all funds.

The *Private Health Insurance (Prudential Regulation) Act 2015* (the Prudential Regulation Act) ensures that private health insurers must comply with prudential standards made by APRA, and with directions given by APRA. APRA has monitoring and investigative powers in relation to private health insurers in order to monitor the financial performance of the funds and ensure that they meet prudential requirements.

APRA produces an annual publication providing financial and operational statistics for the funds for each financial year.⁶ Information included in the Financial Performance table is drawn from data collected by APRA for that purpose.

Premium increases

Under the Act, health funds require the approval of the Minister for Health before they can raise their premiums. This ensures there is rigorous scrutiny of all premium increase applications each year.

The Minister assesses premium applications to ensure proposed increases are kept to the minimum necessary. This takes into consideration fund solvency requirements, forecast benefit payments and prudential requirements, while also ensuring the affordability and value of private health insurance as a product.

Benefits as a percentage of contributions

This column shows the percentage of total contributions, received by the fund, returned to contributors in benefits. Funds will generally aim to set premium levels so that contribution income covers the expected costs of benefits plus the fund's administration costs.

A very high percentage of contributions returned as benefits may not necessarily be a positive factor for consumers, particularly if it means that the fund is making a loss on its health insurance business. This indicator should therefore be considered in conjunction with other factors, such as the Surplus (–Loss) and Management Expenses ratings.

⁶ The "Operations of the Private Health Insurers" report is available on the APRA website: www.apra.gov.au

Management expenses

Management expenses are the costs of administering the fund. They include items such as rent, staff salaries, and marketing costs.

As a percentage of contribution income

This figure is regarded as a key measure of fund efficiency. In this table management expenses are shown as a proportion of total fund contributions.

Per average policy

A comparison of the relative amount each fund spends on administration costs is also demonstrated through provision of information on the level of management expenses per membership by each fund.

On average, restricted membership funds have lower management expenses as a proportion of benefits paid than open membership funds. This is partially due to lower expenditure on marketing. However, unusually low management expenses by some restricted membership funds can also be the result of those funds receiving free or subsidised administrative services from the organisations with which they are associated.

Surplus (–Loss) from health insurance

The surplus or loss (indicated as a negative figure) made by the fund in 2015–16 from their health insurance business is expressed as a percentage of the fund's contribution income. This does not take account of additional income that the fund may derive from investment or other non-health insurance activities.

All health funds maintain a sufficient level of reserves to cover losses from year to year. However funds with high or continuing losses might be expected to have to increase premiums by a relatively higher amount than other funds.

Overall Profit (–Loss) as a percentage of total revenue

The overall profit or loss (indicated as a negative figure) takes account of additional income made by the fund, mainly through investment. This is shown as a percentage of all revenue received by the fund to allow a comparison of performance between funds of differing sizes. Overall profit takes into account tax that is paid for a small amount of funds.

Not-for-profit fund

If a health fund is listed as 'not-for-profit', this means it is a mutual organisation, with the premiums paid into the fund used to operate the business and cover benefits for members.

'For-profit' funds aim to return a profit to their owners (which may be another health fund or corporation) or shareholders.

Table 6: Finances and costs

Fund name (abbreviated)	Benefits as % contributions	Management expenses		Surplus (–Loss) from health insurance	Overall profit (–Loss) as % total revenue	Not-for-profit fund
		As % of contribution income	Per average policy			

Open membership funds

Australian Unity	82.6%	11.2%	\$368	6.3%	9.8%	No
BUPA	85.5%	7.9%	\$276	6.6%	5.7%	No
CDH	91.9%	11.4%	\$438	–3.4%	–1.1%	Yes
CUA Health	90.6%	9.7%	\$331	–0.3%	0.8%	No
GMHBA	85.8%	10.3%	\$322	3.9%	4.6%	Yes
GU Corporate	80.4%	15.5%	\$839	4.1%	4.0%	No
HBF	90.0%	10.1%	\$299	–0.1%	2.3%	Yes
HCF	87.2%	7.9%	\$284	4.9%	7.0%	Yes
HCI	84.3%	12.4%	\$474	3.4%	5.8%	Yes
Health.com.au	96.3%	6.0%	\$180	–2.3%	–1.4%	No
Health Partners	91.4%	9.3%	\$320	–0.7%	3.7%	Yes
HIF	94.8%	13.0%	\$347	–7.8%	–3.1%	Yes
Latrobe	86.8%	9.3%	\$318	3.9%	6.9%	Yes
MDHF	93.3%	8.1%	\$220	–1.4%	2.6%	Yes
Medibank	83.9%	8.0%	\$265	8.1%	7.0%	No
NIB	85.0%	8.9%	\$269	6.0%	5.3%	No
Onemedifund	77.4%	7.5%	\$374	15.1%	11.4%	No
Peoplecare	87.7%	9.9%	\$377	2.4%	5.1%	Yes
Phoenix	92.8%	9.1%	\$394	9.1%	1.2%	Yes
QCH	87.4%	10.9%	\$475	1.7%	6.3%	No
St. Lukes	86.6%	11.0%	\$419	2.4%	5.3%	Yes
Transport Health	90.7%	10.0%	\$302	–0.7%	0.4%	No
Westfund	81.7%	11.8%	\$431	9.3%	8.4%	Yes

Restricted membership funds

ACA	82.6%	8.5%	\$477	7.7%	9.8%	Yes
CBHS	91.7%	7.4%	\$294	0.9%	2.1%	Yes
Defence Health	94.5%	6.5%	\$231	–1.0%	2.5%	Yes
Doctors' Health	82.9%	10.6%	\$518	6.5%	6.0%	No
Navy Health	90.7%	9.5%	\$354	–0.3%	11.8%	Yes
Police Health	89.0%	8.3%	\$429	2.7%	3.8%	Yes
RT Health Fund	83.8%	14.3%	\$624	1.9%	1.2%	Yes
Reserve Bank	86.7%	11.9%	\$918	3.7%	1.2%	Yes
Teachers Health	90.9%	6.7%	\$258	2.4%	4.1%	Yes
TUH	91.8%	9.5%	\$422	–1.3%	–1.5%	Yes



HEALTH FUND OPERATIONS BY STATE OR TERRITORY

Some funds have little presence in most states but may have a large market share in one state or territory. Every fund will still have agreements with hospitals throughout Australia even if they don't have a local branch network or a significant proportion of policy holders in each state. Australian health insurance policies are usually priced according to the policy holder's state of residence, but the benefits extend nation-wide.

Health fund operations by state or territory

Some funds have little presence in most states but may have a large market share in one state or territory. Some funds use different brand names or offer different policies in different states and territories. These separate tables for each state/territory are therefore provided to give an indication of the extent and importance of each fund's business in each area.

Most fund websites allow members to view fund information, join or change their policy and submit claims. Links to all health fund websites are available at Privatehealth.gov.au.

Percentage market share

This column indicates how much of the total health insurance business within each state or territory each fund accounts for. It is an indicator of the size and significance of each fund within each state.

Funds with a significant market share in the relevant state or territory can normally be expected to have more extensive networks of branch offices, agencies, agreement hospitals and preferred ancillary providers in those states/territories. They are also more likely to obtain the participation of doctors in their gap cover arrangements. However, funds participating in schemes such as the Australian Health Services Alliance (AHSA) will generally have access to a wide range of agreement hospitals in all states.

Percentage of fund's membership in state

This column indicates how much of each fund's health insurance membership is within each state. It is an indicator of how significant that state is to each fund's health insurance business.

In general, funds can be expected to design their policies (benefits, conditions, contracts, etc) to suit the arrangements applying in the states in which they do a significant proportion of business. However, some nationally based funds tailor their policies and prices to take account of different state arrangements.

Health fund costs differ from state to state, which accounts for the variation in premiums across states.

Agreement hospitals⁷

All health funds establish agreements with some or all private hospitals and day hospitals for the treatment of their members. These agreements generally provide for the fund to meet all of the private hospital's charges for treatment of the fund's members. The member would then not be required to pay any amount to the hospital, other than any agreed excess or co-payment and any incidental charges that may apply for certain extra services (e.g. television rental or internet).⁸

Where a fund has a comparatively low number of agreements with private hospitals or private day hospitals, this is an indicator that consumer choice (as to where to be treated) may be more limited. Treatment at a non-agreement hospital will mean a significantly higher out-of-pocket cost for the patient.

While funds do not have agreements with particular public hospitals, all funds will fully cover hospital costs for treatment as a private patient in a public hospital unless the particular treatment is excluded under the individual's policy, or there is an extra charge for a private room or similar extra costs.

Fund outlets — retail offices and agencies

Retail offices are full-service offices operated by health funds with staff employed by the fund.

Agencies are generally limited service outlets operated by the fund or under arrangements with pharmacies, credit unions, etc.

The table indicates whether the fund operates retail offices and/or agencies in the state or territory.

⁷ According to Privatehealth.gov.au, 16 December 2016 or as supplied by the fund.

⁸ These agreements do not apply to fees charged by private doctors for in-hospital treatment; these medical fees may be covered by a fund's medical gap scheme arrangements.

Health fund operations by state or territory

Table 7A: New South Wales

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	1.8%	19.6%	94	90		
BUPA	25.7%	31.1%	86	71	Yes	
CDH	0.1%	89.8%	71	30	Yes	
CUA Health	0.5%	25.4%	100	87	Yes	
GMHBA	0.9%	13.8%	89	84		
GU Corporate	0.6%	47.0%	96	90		
HBF	0.7%	2.8%	92	87		
HCF	19.8%	62.7%	84	82	Yes	
HCI	0.0%	5.9%	101	96		
Health.com.au	0.7%	36.3%	84	74		
Health Partners	0.0%	1.1%	100	86		
HIF	0.3%	11.7%	99	87		
Latrobe	0.2%	7.7%	74	54		
MDHF	0.1%	10.6%	77	49		Yes
Medibank	23.5%	28.0%	87	76	Yes	Yes
NIB	13.8%	55.8%	83	87	Yes	
Onemedifund	0.1%	40.7%	97	90	Yes	
Peoplecare	0.7%	46.6%	97	90	Yes	
Phoenix	0.2%	49.2%	96	89	Yes	
QCH	0.0%	1.5%	81	72		
St Lukes	0.0%	3.1%	80	50		
Transport Health	0.1%	15.8%	97	90		
Westfund	1.3%	62.1%	97	90	Yes	

Restricted membership funds

ACA	0.1%	58.8%	78	66	Yes	
CBHS	1.9%	44.4%	78	66		
Defence Health	1.0%	17.8%	100	87		Yes
Doctors' Health	0.3%	39.2%	97	84	Yes	
Navy Health	0.3%	30.4%	89	79		
Police	0.0%	1.2%	97	90		
RT Health Fund	0.6%	52.6%	97	90	Yes	
Reserve Bank	0.1%	60.7%	97	90	Yes	
Teachers Health	4.6%	70.5%	97	90	Yes	
TUH	0.0%	2.7%	99	89		

Table 7B: Victoria

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	8.0%	60.9%	79	70	Yes	
BUPA	24.4%	21.2%	77	55	Yes	
CDH	0.0%	4.0%	71	46		
CUA Health	0.4%	16.5%	82	70	Yes	Yes
GMHBA	5.9%	65.1%	76	67	Yes	Yes
GU Corporate	0.4%	21.9%	77	75		
HBF	1.2%	3.5%	70	70		
HCF	6.6%	15.0%	70	48	Yes	
HCI	0.1%	18.3%	84	73		
Health.com.au	0.8%	31.9%	72	63		
Health Partners	0.1%	2.6%	82	72		
HIF	0.5%	14.1%	81	70		
Latrobe	2.5%	88.2%	77	66	Yes	Yes
MDHF	0.8%	85.2%	77	62	Yes	Yes
Medibank	33.9%	29.0%	56	68	Yes	
NIB	7.0%	20.2%	67	65	Yes	
Onemedifund	0.1%	24.6%	77	75		
Peoplecare	0.7%	31.4%	77	75	Yes	
Phoenix	0.1%	17.2%	79	72		
QCH	0.0%	0.9%	76	57		
St Lukes	0.1%	5.0%	79	57		
Transport Health	0.4%	65.3%	77	75		
Westfund	0.0%	0.8%	77	75		

Restricted membership funds

ACA	0.0%	12.8%	73	50		
CBHS	1.5%	25.0%	73	50		
Defence Health	2.4%	30.1%	82	70	Yes	Yes
Doctors' Health	0.3%	30.3%	81	70		
Navy Health	0.3%	26.8%	77	68	Yes	
Police	0.0%	1.7%	78	74		
RT Health Fund	0.1%	9.7%	77	75		
Reserve	0.0%	23.2%	77	75		
Teachers Health	1.3%	14.1%	78	75	Yes	
TUH	0.0%	1.8%	78	75		

Table 7C: Queensland

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	2.0%	11.8%	52	45		
BUPA	33.3%	21.9%	48	33	Yes	
CDH	0.0%	4.2%	39	23		
CUA Health	1.8%	53.5%	52	45	Yes	Yes
GMHBA	1.4%	11.3%	51	42		
GU Corporate	0.3%	12.3%	52	45		
HBF	0.6%	1.4%	53	44		
HCF	6.7%	11.5%	48	36	Yes	
HCI	0.0%	6.7%	57	51		
Health.com.au	0.7%	19.5%	44	38		
Health Partners	0.0%	1.4%	52	43		
HIF	0.5%	9.7%	53	43		
Latrobe	0.1%	2.2%	47	30		
MDHF	0.0%	1.5%	48	31		
Medibank	33.4%	21.5%	53	37	Yes	Yes
NIB	5.7%	12.6%	45	37	Yes	
Onemedifund	0.1%	12.8%	52	45		
Peoplecare	0.3%	11.6%	52	45		
Phoenix	0.1%	14.4%	51	42		
QCH	1.8%	96.1%	53	47	Yes	Yes
St Lukes	0.1%	2.7%	48	30		
Transport Health	0.1%	13.6%	52	45		
Westfund	1.4%	35.1%	52	45	Yes	

Restricted membership funds

ACA	0.1%	18.5%	46	36		
CBHS	1.3%	15.7%	46	34		
Defence Health	3.0%	29.2%	52	45		Yes
Doctors' Health	0.3%	21.6%	52	42		
Navy Health	0.3%	18.3%	49	40		
Police Health	0.6%	35.5%	52	45		
RT Health Fund	0.7%	34.3%	52	45	Yes	
Reserve Bank	0.0%	6.5%	52	45		
Teachers Health	0.4%	3.0%	53	45		
TUH	2.9%	94.5%	53	45	Yes	

Table 7D: South Australia

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	1.4%	3.5%	26	25		
BUPA	51.3%	14.6%	28	21	Yes	
CDH	0.0%	1.0%	21	7		
CUA Health	0.1%	1.0%	28	24		
GMHBA	0.4%	1.5%	29	23		
GU Corporate	0.1%	1.8%	26	25		
HBF	0.4%	0.4%	26	23		
HCF	5.7%	4.2%	25	17	Yes	
HCI	0.01%	1.6%	29	27		
Health.com.au	0.2%	2.7%	28	23		
Health Partners	7.5%	94.0%	29	25	Yes	Yes
HIF	0.3%	2.5%	28	24		
Latrobe	0.0%	0.5%	22	14		
MDHF	0.1%	2.1%	22	14		
Medibank	22.2%	6.2%	27	19	Yes	
NIB	3.0%	2.9%	24	21		
Onemedifund	0.1%	5.2%	26	26		
Peoplecare	0.4%	5.4%	26	26		
Phoenix	0.2%	14.3%	28	26		
QCH	0.0%	0.3%	28	21		
St Lukes	0.1%	1.6%	24	18		
Transport Health	0.0%	1.9%	26	26		
Westfund	0.0%	0.5%	26	26		

Restricted membership funds

ACA	0.0%	3.3%	28	21		
CBHS	0.9%	4.8%	28	20		
Defence Health	2.0%	8.3%	28	24		Yes
Doctors' Health	0.1%	3.1%	28	24		
Navy Health	0.2%	5.5%	28	23		
Police Health	1.5%	36.8%	26	26	Yes	
RT Health Fund	0.1%	1.2%	26	26		
Reserve Bank	0.0%	3.7%	26	26		
Teachers Health	1.7%	6.0%	26	25		
TUH	0.0%	0.1%	26	26		

Table 7E: Western Australia

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	0.5%	2.3%	20	22		
BUPA	11.2%	5.5%	19	15	Yes	
CDH	0.0%	0.3%	16	8		
CUA Health	0.1%	2.2%	21	23	Yes	
GMHBA	1.0%	6.2%	17	21		
GU Corporate	0.5%	14.9%	23	21		
HBF	54.9%	91.5%	22	20	Yes	Yes
HCF	2.3%	2.9%	18	8		
HCI	0.0%	1.2%	21	26		
Health.com.au	0.3%	5.9%	17	19		
Health Partners	0.0%	0.5%	20	23		
HIF	4.0%	60.5%	20	23	Yes	Yes
Latrobe	0.0%	0.4%	19	13		
MDHF	0.0%	0.3%	19	13		
Medibank	20.1%	9.7%	20	17	Yes	Yes
NIB	2.4%	4.0%	18	15		
Onemedifund	0.1%	11.4%	21	23		
Peoplecare	0.1%	3.0%	21	23		
Phoenix	0.0%	3.5%	18	22		
QCH	0.0%	0.6%	16	16		
St Lukes	0.0%	0.6%	22	14		
Transport Health	0.0%	1.9%	21	23		
Westfund	0.0%	0.5%	21	23		

Restricted membership funds

ACA	0.0%	4.5%	16	11		
CBHS	0.7%	6.9%	16	11		
Defence Health	0.6%	4.4%	21	23		Yes
Doctors' Health	0.0%	2.1%	20	23		
Navy Health	0.2%	7.7%	18	22		
Police Health	0.3%	14.0%	21	23		
RT Health Fund	0.0%	1.1%	21	23		
Reserve Bank	0.0%	3.3%	21	23		
Teachers Health	0.5%	2.9%	21	23		
TUH	0.0%	0.2%	21	23		

Table 7F: Tasmania

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	0.9%	0.6%	5	3		
BUPA	36.7%	2.8%	5	4	Yes	
CDH	0.0%	0.3%	5	2		
CUA Health	0.1%	0.3%	5	3		
GMHBA	1.1%	1.1%	5	3		
GU Corporate	0.1%	0.5%	5	3		
HBF	0.8%	0.2%	5	3		
HCF	2.6%	0.5%	5	3		
HCI	2.3%	65.5%	5	4	Yes	
Health.com.au	0.2%	0.6%	5	3		
Health Partners	0.1%	0.2%	5	3		
HIF	0.2%	0.5%	5	3		
Latrobe	0.2%	0.5%	5	5		
MDHF	0.0%	0.1%	5	4		
Medibank	30.0%	2.3%	5	3	Yes	
NIB	2.0%	0.5%	5	3		
Onemedifund	0.2%	5.2%	5	3		
Peoplecare	0.2%	0.6%	5	3		
Phoenix	0.0%	0.6%	5	4		
QCH	0.0%	0.2%	5	3		
St Lukes	18.0%	86.6%	8	4	Yes	Yes
Transport Health	0.0%	0.5%	5	3		
Westfund	0.1%	0.2%	5	3		

Restricted membership funds

ACA	0.0%	1.2%	5	2		
CBHS	1.1%	1.6%	5	2		
Defence Health	1.0%	1.1%	5	3		
Doctors' Health	0.1%	0.9%	5	3		
Navy Health	0.2%	1.3%	5	3		
Police Health	0.5%	3.0%	5	3		
RT Health Fund	0.1%	0.4%	5	3		
Reserve Bank	0.0%	1.3%	5	3		
Teachers Health	1.1%	1.1%	6	3		
TUH	0.1%	0.3%	5	3		

Table 7G: Australian Capital Territory

Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	1.7%	1.1%	6	7		
BUPA	22.5%	1.7%	5	4	Yes	
CDH	0.0%	0.4%	4	3		
CUA Health	0.3%	0.9%	5	8	Yes	
GMHBA	1.1%	1.0%	5	9		
GU Corporate	0.3%	1.4%	6	7		
HBF	0.8%	0.2%	6	7		
HCF	14.1%	2.7%	5	6	Yes	
HCI	0.0%	0.7%	5	9		
Health.com.au	0.7%	2.5%	5	7		
Health Partners	0.1%	0.2%	5	8		
HIF	0.3%	0.8%	5	8		
Latrobe	0.1%	0.4%	5	6		
MDHF	0.0%	0.1%	5	6		
Medibank	29.8%	2.2%	5	4	Yes	
NIB	15.4%	3.8%	5	8	Yes	
Onemedifund	0.0%	0.2%	6	7		
Peoplecare	0.3%	1.2%	6	7		
Phoenix	0.0%	0.7%	5	8		
QCH	0.0%	0.1%	5	8		
St Lukes	0.0%	0.2%	7	4		
Transport Health	0.1%	0.9%	6	7		
Westfund	0.2%	0.7%	6	7		

Restricted membership funds

ACA	0.0%	0.7%	4	5		
CBHS	1.0%	1.4%	4	5		
Defence Health	6.9%	7.6%	5	8		Yes
Doctors' Health	0.3%	2.5%	5	8		
Navy Health	1.3%	9.0%	5	8		
Police Health	0.1%	0.3%	6	7		
RT Health Fund	0.1%	0.6%	6	7		
Reserve Bank	0.0%	1.3%	6	7		
Teachers Health	2.3%	2.2%	6	7		
TUH	0.1%	0.2%	6	7		

Table 7H: Northern Territory

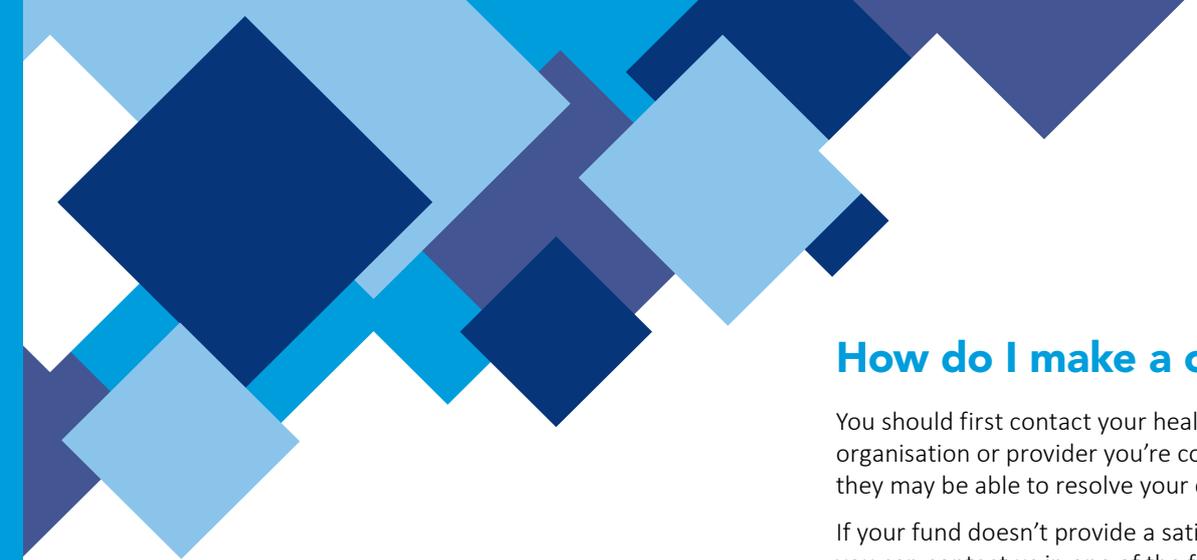
Fund name (abbreviated)	% fund's market share in this state	% fund's membership in this state	Agreement hospitals		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies

Open membership funds

Australian Unity	0.5%	0.1%	2	1		
BUPA	38.8%	1.1%	1	1	Yes	
CDH	0.0%	0.0%	1	0		
CUA Health	0.1%	0.1%	2	1		
GMHBA	0.3%	0.1%	1	1		
GU Corporate	0.1%	0.2%	2	1		
HBF	1.8%	0.2%	2	1		
HCF	5.0%	0.4%	1	1		
HCI	0.0%	0.2%	2	1		
Health.com.au	0.5%	0.6%	1	1		
Health Partners	0.1%	0.1%	2	1		
HIF	0.2%	0.2%	2	1		
Latrobe	0.1%	0.1%	1	1		
MDHF	0.0%	0.1%	1	1		
Medibank	41.7%	1.2%	1	1	Yes	Yes
NIB	2.2%	0.2%	1	1		
Onemedifund	0.0%	0.0%	2	1		
Peoplecare	0.1%	0.1%	2	1		
Phoenix	0.0%	0.2%	2	1		
QCH	0.1%	0.2%	1	1		
St Lukes	0.1%	0.1%	1	1		
Transport Health	0.0%	0.1%	2	1		
Westfund	0.1%	0.1%	2	1		

Restricted membership funds

ACA	0.0%	0.2%	1	0		
CBHS	0.4%	0.2%	1	0		
Defence Health	3.4%	1.5%	2	1		Yes
Doctors' Health	0.1%	0.3%	2	1		
Navy Health	0.4%	1.0%	1	1		
Police Health	3.0%	7.4%	2	1		
RT Health Fund	0.1%	0.2%	2	1		
Reserve Bank	0.0%	0.0%	2	1		
Teachers Health	0.8%	0.3%	2	1		
TUH	0.1%	0.1%	2	1		



ABOUT THE PRIVATE HEALTH INSURANCE OMBUDSMAN

The Private Health Insurance Ombudsman protects the interests of people who are covered by private health insurance, through our complaints handling, consumer information and advice services, as well as advice to government and industry about issues of concern to consumers in relation to private health insurance.

The Private Health Insurance Ombudsman

The Private Health Insurance Ombudsman (PHIO) is one of the roles held by the Commonwealth Ombudsman. The Ombudsman deals with inquiries and complaints about any aspect of private health insurance. Our office is independent of the private health funds, private and public hospitals and health service providers.

We deal with complaints about private health insurance, including private health funds, brokers, hospitals, medical practitioners, dentists or other practitioners. Generally, anyone can make a complaint as long as it relates to private health insurance.

How do I make a complaint?

You should first contact your health fund or the organisation or provider you're complaining about — they may be able to resolve your complaint for you.

If your fund doesn't provide a satisfactory response, you can contact us in one of the following ways:

- **Website:** Ombudsman.gov.au (including [online complaints form](#))
- **Call:** 1300 362 072 (option 4 for private health insurance)
- **Write:** Private Health Insurance Ombudsman, Commonwealth Ombudsman, GPO Box 442, CANBERRA ACT 2601
- **Email:** phio.info@ombudsman.gov.au

Please include:

- A clear description of your complaint;
- The name of your health fund and your membership number; and
- What you think would resolve the matter for you.

We'll let you know if any other information is needed.

What happens after I make a complaint?

Many complaints result from misunderstandings. Your PHIO case officer may be able to resolve your complaint by explaining what has happened and why.

Otherwise, we'll contact your health fund or the body you are complaining about to get their explanation and any suggestions they have for fixing the problem. We deal with most complaints by phone or email, and most can be settled quickly.

Where complaints are more complex, we will write to the health fund or other body, seeking further information or recommending a certain course of action. Your case officer will keep you regularly informed, usually by telephone. They will give you their name and contact number in case you need to contact them.

What if I just want some information about health insurance?

We can help with information about private health insurance arrangements:

- Check our website Privatehealth.gov.au;
- Call our Hotline on 1300 737 299; and
- Email us at phio.info@ombudsman.gov.au.

We also have brochures and publications about private health insurance arrangements which you can find on our website or which we can post on request.

Who can I contact if my complaint is about a medical issue?

Complaints about the quality of service or clinical treatment provided by a health professional or a hospital should be directed to the health care complaints body for your state or territory. These are listed in the state government section of your telephone directory. You can also find a contact list on Privatehealth.gov.au under [Links](#).

YOUR HEALTH INSURANCE CHECKLIST

Ten tips from the Private Health Insurance Ombudsman for avoiding health insurance problems.

1

Consider taking out the highest level of hospital cover you can afford and choosing a higher excess, rather than restrictions or exclusions, to save money on premiums.

2

Review your Standard Information Statement (SIS) every year. Think about whether your policy will continue to meet your needs over the coming year. This is particularly important if you are thinking about starting a family, or your health needs are changing as you grow older.

3

Read all of the information your fund sends you carefully. Important information about your cover will be sent in a personalised letter and should not be ignored.

4

Ensure your premiums are up to date. If you pay by direct debit, check your bank or credit card statements every month to ensure payments are being correctly deducted.

5

Tell your fund if you change address, add a partner, have a child, or any other circumstance which might affect your cover.

6

Make sure you understand any waiting periods, restrictions or limits applying to your cover.

7

Contact your fund before you go to hospital to check whether you will be covered and what costs you may need to pay yourself.

8

Talk to your doctors about their fees and ask whether they will bill you under your health fund's gap scheme.

9

If you decide to change funds, make sure you understand the difference in benefits before changing.

10

Visit Privatehealth.gov.au for information and advice about private health insurance.

More information can be found in the "Health Insurance Choice" and "Ten Golden Rules" brochures, available at Privatehealth.gov.au and Ombudsman.gov.au.