MINISTERIAL ADVISORY COMMITTEE ON OUT-OF-POCKET COSTS
COMMUNIQUE

4 April 2018

On 23 March, the second meeting was held of the Ministerial Advisory Committee on Out-of-Pocket Costs, chaired by Australia's Chief Medical Officer, Professor Brendan Murphy. The meeting was attended by the Minister for Health, the Hon Greg Hunt MP and members of the committee: expert medical specialists, a consumer representative and representatives of the private health insurance and private hospital sectors.

The Committee was addressed by Minister Hunt who reinforced that a healthy and stable private health insurance system is essential for the stability of Australia’s overall health care system. Minister Hunt spoke about the Government’s commitment to work with the stakeholders to address community concerns around large unexpected out-of-pocket costs and the need for a transparent model to ensure consumers have the ability to make an informed decision on their medical treatment.

The Committee discussed a range of ideas to address the lack of transparency around out-of-pocket costs including the type of information that consumers would require to easily understand the financial implications and to allow consumers to be able to make a meaningful choice for their health care. The Committee discussed potential approaches to presenting this information to consumers and to achieve broad participation of medical specialists in the transparency initiative.

The Committee agreed that a collaborative approach involving consumers, medical specialists, insurers and the private hospital sector is critical to ensure the development of a practical and robust model. The Committee also acknowledged a role for General Practitioners in the solution to transparency and supporting patient choice.

In addition to a best practice transparency model, consumer education is essential. The Committee agreed the importance of consumer education, in particular education around the referral process, informed financial consent and getting the message to consumers that higher medical fees do not have a relationship to higher quality care.

The Committee will further consider models for improved transparency in more detail at its next meeting.

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