

**Summary of the ninth meeting of the Private Health Ministerial Advisory Committee,  
14 June 2017, Parliament House, Canberra**

**Attendees**

<i>Members</i>	<i>Minister's Office</i>
Dr Jeffrey Harmer AO, Chair	Minister for Health, the Hon Greg Hunt MP (Item 3)
Marcus Dripps, Allied Health Professions Australia	Wendy Black, Chief of Staff (Item 3)
Ian Burgess, Medical Technology Association of Australia	Alex Caroly, Senior Adviser
Philip Truskett AM, Royal Australasian College of Surgeons	<i>Proxies and Secretariat</i>
Toby Hall, Catholic Health Australia	Lucy Cheetham, Australian Private Hospitals Association
Tony Lawson, Consumers Health Forum	Dr Michael Gannon, Australian Medical Association
Ian Yates AM, COTA	Susan Azmi, Secretariat
Matthew Koce, hirmaa	Vanessa Sheehan, Secretariat
Jane Griffiths, Day Hospitals Australia	Peta McElgunn, Secretariat
Dr Rachel David, Private Healthcare Australia	Josh Shanahan, Secretariat (Items 1-5, 7)
Garry Richardson, Expert member	Dr Andrew Singer, Chair, Clinical Definitions Working Group (Item 6)
Mark Cormack, ex-officio	Carla Roots, Secretariat (Item 6)
	Janet Quigley, Department of Health, Observer (Items 1-5, 7)
	Tracey Duffy, Department of Health, Observer
	<i>Other attendees</i>
	Dan Pole, IPSOS (Item 4)
	Megan McKeough, IPSOS (Item 4)

**Apologies**

Anne Trimmer, Australian Medical Association

Michael Roff, Australian Private Hospitals Association

**1. Welcome, apologies and introductions**

- The Chair noted apologies for this meeting.

**2. Product design**

- The Committee confirmed the key product design issues to be discussed with the Minister.

**3. Minister for Health**

- The Minister delivered an opening statement and outlined the key pillars of the Government's Long Term National Health Plan. The Minister indicated private health insurance reform will be a key priority for Government over the coming year and that his primary focus will be to identify changes that improve affordability and consumer access.
- The Committee provided the Minister with an overview of the major issues which have emerged as part of its examination of product design reforms and the possible introduction of a Gold/Silver/Bronze categorisation system. Members discussed their perspectives on a variety of issues including: value and affordability; product complexity; coverage for mental health and rehabilitation; out-of-pocket costs and implementation considerations.
- The Minister thanked the Committee for work undertaken to date and indicated he looked forward to receiving further advice from the group on proposals to improve affordability and consumer access to private health insurance.

#### **4. Ipsos presentation on consumer perspectives**

- Mr Pole and Ms McKeough delivered a presentation on findings from IPSOS's research on consumer perceptions on healthcare and health insurance in Australia.
- The presentation covered a variety of topics including perceptions of the public healthcare system, attitudes towards private health insurance and government policy issues.

#### **5. Contracting and default benefits**

- The Committee considered an option whereby insurers could submit their audited second-tier benefit schedules to a secure portal which could then be accessed by relevant hospitals.
- The Committee agreed that this option should be further explored. The Chair asked the Secretariat to further develop this option, including advice on any legal, probity and regulatory implications, for the Committee's consideration at its next meeting.

#### **6. Clinical definitions**

- Dr Andrew Singer, Chair of the Clinical Definitions Working Group delivered a presentation to the Committee on the Working Group's report, including a proposed new list of clinical definitions developed by the Working Group.
- In developing the list of clinical definitions, the Working Group aimed to ensure that each clinical definition is consumer-friendly and easy to understand. The clinical definitions are also designed to cover all services.
- The Committee discussed the Working Group's advice and agreed:
  - the list of clinical definitions, subject to clarification of a small number of items;
  - the descriptions for each clinical definition;
  - the Secretariat populate a list of procedures for each clinical definition using a combination of existing lists e.g. MBS items, DRGs and care types;
  - the list of clinical definitions should be regulated;
  - the list of clinical definitions, descriptions and procedures would benefit from consumer testing; and
  - the Secretariat prepare an updated list of clinical definitions for the Committee's consideration at the next meeting.

#### **7. Private patients in public hospitals**

- Following a request from the Minister, the Committee considered a further paper about private patients in public hospitals which included a number of potential reform options, with a view to confirming the Committee's position.
- The Committee acknowledged that public hospital funding arrangements are an issue for the Council of Australian Governments (COAG), and that any options for potential reform would need to be considered in that context.
- The Committee confirmed that this was an important issue, and members expressed a range of views on options in the paper.
- The Chair advised members that he would inform the Minister of their views.