



Minister for Health and Aged Care
Minister for Sport
THE HON SUSSAN LEY MP

Media Release

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New Committee to provide recommendations on private health insurance reform

The Turnbull Government is delivering on its election commitment to deliver better value for money for Australians from their private health insurance, with the announcement today of the Committee make-up which will oversee reform in the sector.

Minister for Health Sussan Ley said Dr Jeffrey Harmer AO has been selected to chair the Private Health Ministerial Advisory Committee.

“Dr Harmer is uniquely qualified to lead this important policy development process,” Ms Ley said.

“He has held many senior positions within the Australian Public Service, including Secretary of the then Departments of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and Education, Science and Training; as well as serving as Managing Director of the Health Insurance Commission, which later became Medicare Australia.

“In addition, Dr Harmer has been involved in large scale reviews, such as the 2008-09 review into the adequacy of the Age Pension and Disability Support Pension, and was also part of the Australia’s Future Tax System review panel, led by Dr Ken Henry.”

Minister Ley said the Committee will also ensure industry, consumer and provider viewpoints are heard.

“Private health insurance is a fundamental part of our national health system, but the majority of the 40,000 consumers who responded to last year’s survey told us the current system is frustrating and didn’t offer good value for money,” Ms Ley said.

“It’s important to get this right, which is why Dr Harmer will be joined by appointees from the Consumers Health Forum, COTA, the Australian Medical Association, the Royal Australasian College of Surgeons, Allied Health Professionals Australia, Private Healthcare Australia, the not-for-profit and member owned health insurers’ group HIRMAA, Australian Private Hospitals Association, Catholic Health Australia, Day Hospitals Australia, the Medical Technology Association of Australia, together with an independent private health insurance industry expert.

“They will be charged with advising on the implementation of the Turnbull Government’s reforms to private health insurance, including:

- the development of easy-to-understand categories of health insurance, so that consumers understand what their policies will and will not cover;
- addressing regulatory issues that are adding to the cost of premiums and discouraging innovation; and
- developing a private health insurance product designed specifically for Australians living in rural and remote areas.

“These changes are expected to increase competition in the sector, while also improving affordability and value for money for consumers.

“Only the Coalition has a plan to give consumers greater value for money and choice from their private health insurance, while Labor’s plan is to cut \$7 billion with no plan for reform.”

This is backed up by recent comments by Labor Deputy Leader Tanya Plibersek elaborating on the ALP’s approach to private health insurance:

“Every promise I made I paid for. How did I pay for it? I paid for it by targeting private health insurance.”

Plibersek – 4 April 2016 – Press Conference

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