



## Private health insurance reforms: Improved access to travel and accommodation benefits for regional and rural consumers

To improve access to private health insurance for Australians living in regional and rural Australia, private health insurers will be able to offer travel and accommodation benefits under hospital cover from 2019

- Insurers will be able to offer travel and accommodation benefits under hospital cover, instead of only under general treatment policies.
- Allowing travel and accommodation benefits to be included in risk equalisation calculations will help insurers to better spread their risk and give them an incentive to offer higher travel and accommodation benefits.
- It will not be mandatory for private health insurers to offer travel and accommodation benefits.
- These arrangements will take effect from 1 April 2019.

### Why is this important?

- Consumers living in regional and rural areas sometimes need to travel to larger urban centres or capital cities to receive specialist medical and hospital treatment not available in their local town.
- Currently around half of all private health insurers offer benefits for travel and accommodation for members who must travel to access specialist medical and hospital services. Generally, however, travel and accommodation can only be claimed by members with top level general treatment (extras) cover and the benefits offered have not kept pace with costs.

### Who will benefit?

- This will benefit regional and rural patients and their carers who need to travel away from home for hospital treatment.

### What impact will this change have on private health insurance?

This change is designed to improve the value of private health insurance for consumers in regional and rural Australia.