



COMMONWEALTH  
**OMBUDSMAN**



PRIVATE HEALTH INSURANCE OMBUDSMAN

**STATE OF THE HEALTH  
FUNDS REPORT**

**2017**

PRIVATE HEALTH INSURANCE OMBUDSMAN  
**STATE OF THE HEALTH  
FUNDS REPORT**

**2017**

*Relating to the financial year 2016–17*

Report required by 2oD (c) of the *Commonwealth Ombudsman Act 1976*

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# FOREWORD



I am pleased to present the 13th annual *State of the Health Funds Report*, relating to the financial year 2016–17. 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 funds<sup>1</sup> during that financial year.

The information in the report supplements information available on PHIO's consumer website [privatehealth.gov.au](http://privatehealth.gov.au). 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 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. I would like to thank APRA for their assistance and advice in relation to the report.

A handwritten signature in black ink, appearing to read 'Michael Manthorpe', written in a cursive style.

**Mr Michael Manthorpe PSM**  
*Commonwealth Ombudsman*  
March 2018

<sup>1</sup> 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 an indicator 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 this 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.
- This report is intended to help you 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
- 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 online, the range of services available through the funds' websites will be more important than the branches.

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, we suggest you use the 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](http://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](http://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 funds use several different brand names.

### Current and recent brand names

Brand name	Fund
AAMI	NIB
APIA	NIB
Australian Country Health	Medibank
Australian Health Management	Medibank
Country Health	Medibank
CY Health	HBF
Druids	GMHBA
Federation Health	Latrobe
FIT	GMHBA
Frank	GMHBA
GMF Health	HBF
Goldfields	HBF
Government Employees	Medibank
Grand United	Australian Unity
HBA	BUPA
Healthguard	HBF
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
RACT	GMHBA
Suncorp	NIB
SGIC (SA)	BUPA
SGIO (WA)	BUPA
Unihealth	Teachers Health

# 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](http://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

## High levels of private health insurance complaints in 2016–17

In its role as the Private Health Insurance Ombudsman, the Office of the Commonwealth Ombudsman (the Office) deals with complaints about any aspect of private health insurance. The number of complaints to the Private Health Insurance Ombudsman (PHIO) has increased significantly over the last four years. In 2016–17, we received 5,750 private health insurance complaints, compared to 4,416 in 2015–16. This is an increase of over 1,300 complaints within one year, which is the largest rise we have experienced over the past ten years.

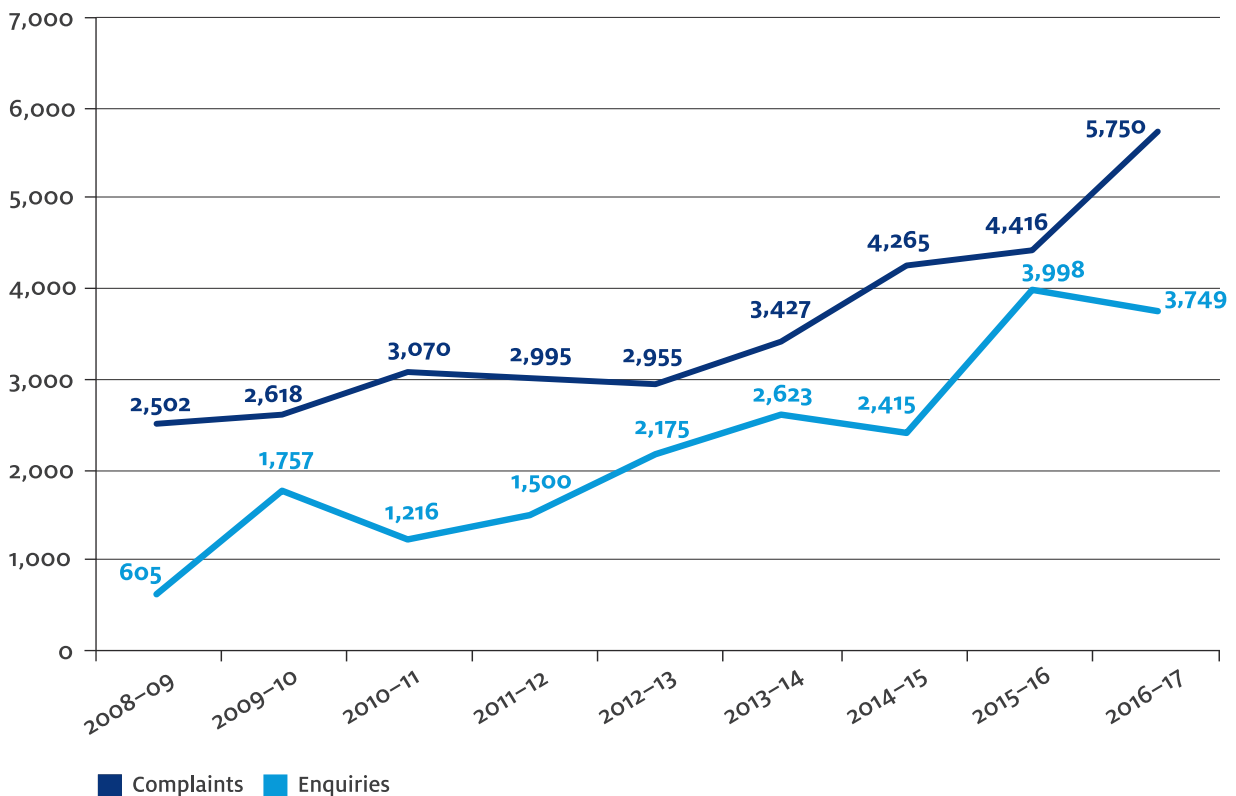
There is no single cause for the increase in complaints made by health insurance consumers. Our Office monitors consumer issues raised by complainants throughout the year and noted that there was an increase in complaints across a wide range of issues. Consumers experienced increased

problems associated with benefits, service, written information, verbal advice and health insurance membership administration.

Part of the increase in complaints can be attributed to consumers experiencing problems obtaining timely responses from health insurer complaint officers. This occurred during peak months including March 2017, when there was an increase in complaints about delays in benefits and service issues.

Our Office identified health insurers who were the subject of the increase in complaints in 2016–17 and assisted them with strategies to reduce complaints. Between 1 July and 31 December 2017, this assistance and the efforts by health insurers to better address complaints contributed to a 28 per cent reduction in complaints to our Office, compared to the same period in 2016–17.

**Figure 1: Total complaints and enquiries by year**



## Private health insurance reforms and the future of privatehealth.gov.au

In 2017, the Government announced significant reforms to health insurance and implementation of these reforms will commence in 2018. A key aim of the reforms is to make health insurance simpler for consumers to understand by introducing common health insurance terms and classifying policies into simpler categories. The consumer website **privatehealth.gov.au** will be updated and improved as part of these reforms.

**Privatehealth.gov.au** was launched on 1 April 2007 and since then the website has been regularly updated to improve the search features and respond to changes in health insurance. Usage of the website by consumers has increased annually, with 1,297,851 unique visitors in 2016–17, as shown in the figure below.

The available data suggests that general growth in the site's usage is due to the site becoming better known via recommendations and search results, our Office's own initiatives to promote the website to consumers and regular reminders of the site's existence in annual mailings of Standard Information Statements and Lifetime Health Cover letters.

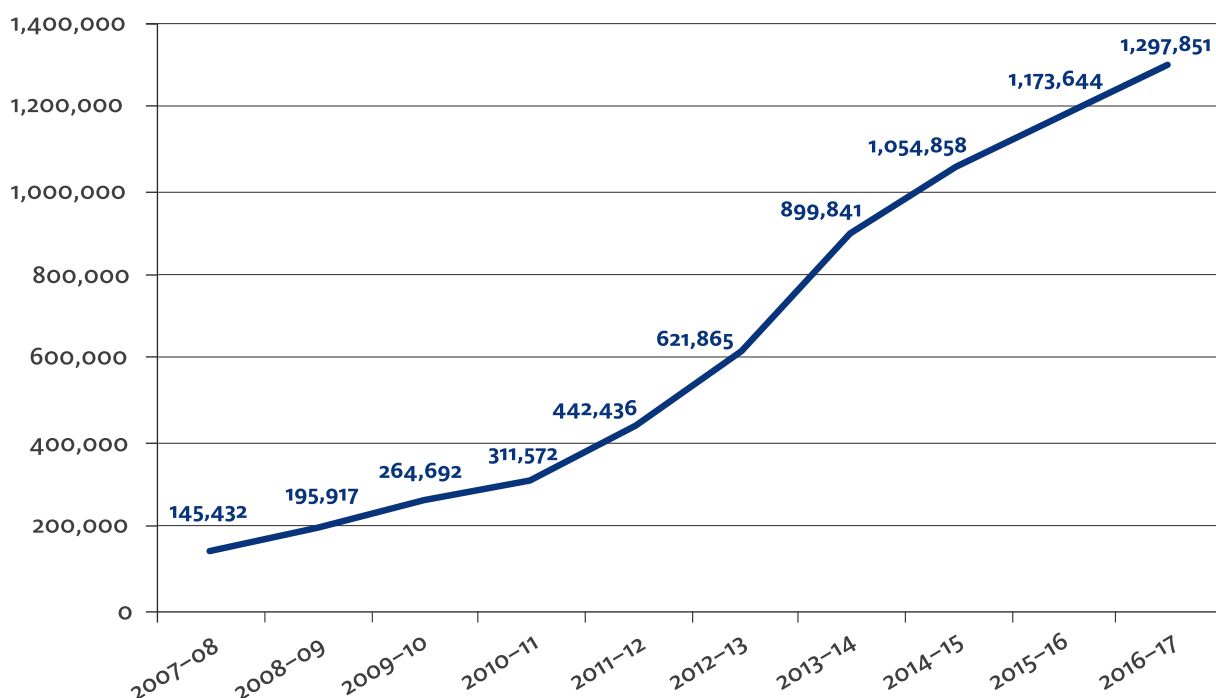
Our Office has a consumer information and advice role, which included responding to 3,749 individual enquiries last year. Over two-thirds of our enquiries are received via the website.

The website is the only independent source of health insurance information in Australia which includes all health insurers and insurance policies available. A consumer can search and compare policies based on levels of benefits, included and excluded services and premiums. An important principle of the website comparison feature is that it does not favour any particular type of policy. The website comparison feature is based on the individual being able to choose what is appropriate for their circumstances.

Due to the large number of policies available for purchase, website users are often presented with a large number of choices. This indicates that private health insurance in Australia is competitive and there are a large number of choices for consumers, but it also makes the task of sorting through policies more complex.

We have commenced the project to upgrade the consumer website to reflect the announced reforms. This is expected to be available from April 2019.

**Figure 2: privatehealth.gov.au visitors per year**



## Providing high quality information to consumers

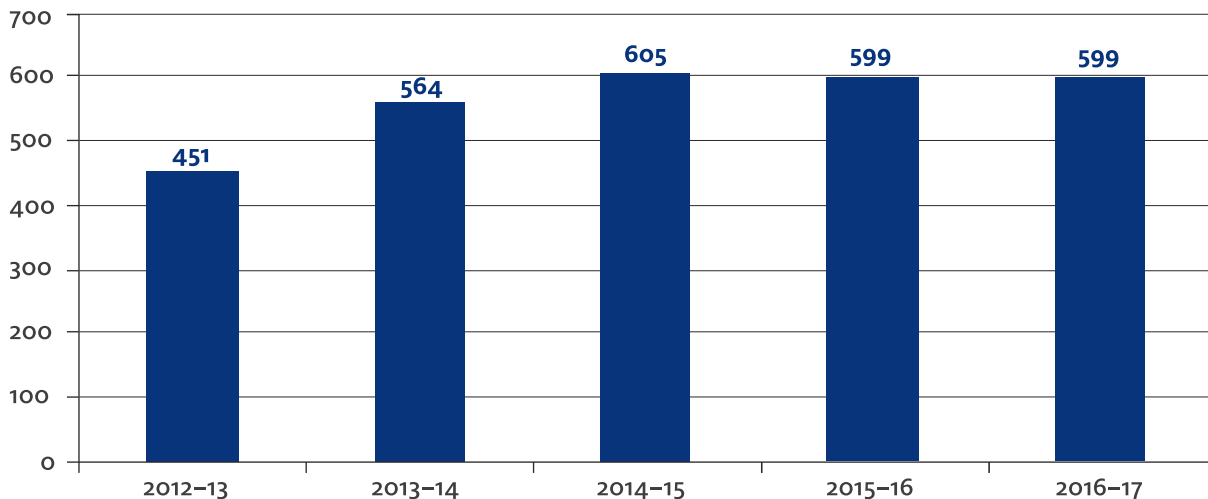
The reforms aim to reduce health insurance complaints in the future by simplifying health insurance and providing better information to consumers. In the meantime, our Office considers that the complaints about health insurance information, particularly verbal advice, could be reduced if health insurers focused on improving their own practices within their organisations.

In 2016–17, we received 599 complaints about health insurance information and of those, 408 related to verbal advice. In a typical case, there will be an allegation of incorrect or unhelpful advice being provided during a customer service phone call which has resulted in an insured person

incurring an unexpected cost. Investigating a complaint involves checking what records can be provided about the phone call and forming a view as to whether the advice was reasonable or not.

Our Office works with health insurers to better understand the causes of complaints about verbal advice, and we focus attention on those insurers that experience higher numbers of complaints. What seems evident is that the quality of training and accuracy of verbal advice provided by health insurer customer service staff varies between insurers. For those insurers that have a higher incidence of complaints about verbal advice, it seems reasonable to question whether the training of staff, provision of resources such as internal guidelines, and levels of quality monitoring are sufficient.

**Figure 3: Information complaints**



## The performance of private health insurers

During 2016–17 the health insurance industry returned 86 per cent of contributions to policy holders through paying benefits towards hospital and general treatment costs. This result is marginally lower than the previous year, where 86.1 per cent of contributions were returned.<sup>2</sup>

Some insurers performed better than the average of 86 per cent by returning well over 90 per cent of contributions to policyholders as benefits.

The percentage of overall benefits returned to policyholders is an easy to understand method of comparing different health insurers and how they have performed in meeting the needs of their consumers. Although some of the variance in results can be attributed to an insurer's geographic location and customer profile, this is perhaps the best measurement available to compare one insurer's performance against another, or against the industry. See Table 6 on page 31 for the benefits as a percentage of contributions for each insurer.

Our Office also tracks and compares the performance of health insurers using complaint data collected through the investigation of consumer complaints. We compare an insurer's share of total complaints against their market share to see if they have an average share of complaints.

An incident of complaint which is higher than an insurer's market share indicates that consumers are experiencing a higher level of problems with the service, benefits and administration of the insurer. See Table 2 on page 18 for the complaint performance results for each insurer.

Our Office also produces quarterly updates on the complaint performance of each insurer.<sup>3</sup> Regular complaint reporting helps identify any problems within individual health insurers and any potential systemic problems early. If a health insurer's complaint share is reported as higher than average in a quarter, there is a solid incentive for the organisation to take action to address complaints and change practices to reduce the causes of complaints. The insurer can then track the success of their action to address consumer problems by seeing whether the insurer's complaint performance improves in subsequent reports.

2 Australian Prudential Regulation Authority. Operations of the Private Health Insurers Report 2015–16 and 2016–17. [apra.gov.au/PHI/Publications/Pages/Operations-of-Private-Health-Insurers-Annual-Report.aspx](http://apra.gov.au/PHI/Publications/Pages/Operations-of-Private-Health-Insurers-Annual-Report.aspx)

3 Private Health Insurance Ombudsman Quarterly Bulletins available at: [ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications/private-health-insurance-quarterly-bulletin](http://ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications/private-health-insurance-quarterly-bulletin)

## Helping consumers understand private health insurance

In addition to the resources available on [privatehealth.gov.au](http://privatehealth.gov.au), our Office 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 our Office.

Our Office 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. Our Office's factsheets 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](http://ombudsman.gov.au).<sup>4</sup>

Our Office has developed a number of brochures, including:

- **The Right to Change:** a consumer guide to transferring from one health insurance product to another
- **Health Insurance Choice:** choosing a Health Insurance Policy
- **Privatehealth.gov.au:** Australia's leading independent source of information about private health insurance
- **Doctors Bill:** managing doctor's bills and potential out-of-pocket costs
- **Waiting Periods for Health Insurance:** how and why waiting periods work, including pre-existing conditions.

4 See Private Health Insurance Publications available at: [ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications](http://ombudsman.gov.au/about/private-health-insurance/private-health-insurance-publications)

Our Office 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 the Office'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
- **Insulin Pumps:** how private health insurance covers insulin pumps.

# HEALTH FUND LISTING AND CONTACT DETAILS

The following tables list 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 1: Health funds listing and contact details**

Open membership health funds			
Abbreviation	Full name or other names	Phone number	Website
Australian Unity	Australian Unity Health Ltd	132 939	<a href="http://australianunity.com.au">australianunity.com.au</a>
BUPA	Bupa HI Pty Ltd	134 135	<a href="http://bupa.com.au">bupa.com.au</a>
CBHS Corporate	CBHS Corporate Health Pty Ltd	1300 586 462	<a href="http://cbhscorporatehealth.com.au">cbhscorporatehealth.com.au</a>
CDH	CDH Benefits Fund	02 4990 1385	<a href="http://cdhbf.com.au">cdhbf.com.au</a>
CUA Health	CUA Health Ltd	1300 499 260	<a href="http://cua.com.au/health">cua.com.au/health</a>
GMHBA	GMHBA Ltd, Frank	1300 446 422	<a href="http://gmhba.com.au">gmhba.com.au</a>
GU Corporate	Grand United Corporate Health	1800 249 966	<a href="http://guhealth.com.au">guhealth.com.au</a>
HBF	HBF Health Ltd	133 423	<a href="http://hbf.com.au">hbf.com.au</a>
HCF	Hospitals Contribution Fund of Australia	131 334	<a href="http://hcf.com.au">hcf.com.au</a>
HCI	Health Care Insurance Ltd	1800 804 950	<a href="http://hcilt.com.au">hcilt.com.au</a>
Health.com.au	Health.com.au	1300 199 802	<a href="http://health.com.au">health.com.au</a>
Health Partners	Health Partners Ltd	1300 113 113	<a href="http://healthpartners.com.au">healthpartners.com.au</a>
HIF	Health Insurance Fund of Australia Ltd	1300 134 060	<a href="http://hif.com.au">hif.com.au</a>
Latrobe	Latrobe Health Services	1300 362 144	<a href="http://latrobehealth.com.au">latrobehealth.com.au</a>
MDHF	Mildura Health Fund Ltd	03 5023 0269	<a href="http://mildurahealthfund.com.au">mildurahealthfund.com.au</a>
Medibank	Medibank Private Ltd, Australian Health Management	132 331; 134 246	<a href="http://medibank.com.au">medibank.com.au</a> ; <a href="http://ahm.com.au">ahm.com.au</a>
MO Health <sup>[1]</sup>	MyOwn Health Insurance	1300 300 338	<a href="http://myown.com.au">myown.com.au</a>
NIB	NIB Health Funds Ltd, Qantas Assure, APIA	131 463	<a href="http://nib.com.au">nib.com.au</a>
Onemedifund	National Health Benefits Australia Pty Ltd	1800 148 626	<a href="http://onemedifund.com.au">onemedifund.com.au</a>
Peoplecare	Peoplecare Health Insurance Limited	1800 808 690	<a href="http://peoplecare.com.au">peoplecare.com.au</a>
Phoenix	Phoenix Health Fund Ltd	1800 028 817	<a href="http://phoenixhealthfund.com.au">phoenixhealthfund.com.au</a>
QCH	Queensland Country Health Fund Ltd	1800 813 415	<a href="http://qldcountryhealth.com.au">qldcountryhealth.com.au</a>
St Lukes	St. Lukes Health	1300 651 988	<a href="http://stlukes.com.au">stlukes.com.au</a>
Transport Health	Transport Health Pty Ltd	1300 806 808	<a href="http://transporthealth.com.au">transporthealth.com.au</a>
Westfund	Westfund Limited	1300 937 838	<a href="http://westfund.com.au">westfund.com.au</a>

[1] MO Health commenced operations after the end of the reporting period (1 July 2016 to 30 June 2017) and for this reason does not appear elsewhere in the report.

**Table 1: Health funds listing and contact details (continued)**

<b>Restricted membership health funds</b>			
Abbreviation	Full name or other names	Phone number	Website
ACA	ACA Health Benefits Fund	1300 368 390	<a href="http://acahealth.com.au">acahealth.com.au</a>
CBHS	CBHS Health Fund Ltd	1300 654 123	<a href="http://cbhs.com.au">cbhs.com.au</a>
Defence Health	Defence Health Ltd	1800 335 425	<a href="http://defencehealth.com.au">defencehealth.com.au</a>
Doctors' Health	The Doctors' Health Fund	1800 226 126	<a href="http://doctorshealthfund.com.au">doctorshealthfund.com.au</a>
Emergency Services	Emergency Services Health Pty Ltd	1300 703 703	<a href="http://eshealth.com.au">eshealth.com.au</a>
Navy	Navy Health Ltd	1300 306 289	<a href="http://navyhealth.com.au">navyhealth.com.au</a>
Nurses and Midwives	Nurses and Midwives Health Pty Ltd	1300 344 000	<a href="http://nmhealth.com.au">nmhealth.com.au</a>
Police Health	Police Health	1800 603 603	<a href="http://policehealth.com.au">policehealth.com.au</a>
Reserve Bank	Reserve Bank Health Society Ltd	1800 027 299	<a href="http://myrbhs.com.au">myrbhs.com.au</a>
RT Health Fund	Railway and Transport Health Fund Ltd	1300 886 123	<a href="http://rthealthfund.com.au">rthealthfund.com.au</a>
Teachers Health	Teachers Health Fund	1300 728 188	<a href="http://teachershealth.com.au">teachershealth.com.au</a>
TUH	Teachers' Union Health Fund	1300 360 701	<a href="http://tuh.com.au">tuh.com.au</a>

# 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 2016 to 30 June 2017. 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 contribute to 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 (2A) includes all funds with a national market share of 0.5 per cent or more.

In that table each fund's market share (as at 30 June 2017) is shown in the market share column. Subsequent columns show the percentage of 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 to complain than the average of 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 gap 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 the 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 per cent 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 (2B) therefore shows the actual number of all complaints received and the number of complaints investigated, as well as 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 nevertheless 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 2018).

For more information about the Code of Conduct, please see: [privatehealthcareaustralia.org.au/codeofconduct/](http://privatehealthcareaustralia.org.au/codeofconduct/)

**Table 2A: Membership retention and complaints (greater than 0.5 per cent market share)**

Fund name (abbreviated)	Member retention (hospital cover)	Membership change [1] % (number)	Market share	Complaints % compared to market share %				Code of Conduct member
				Benefits	Service	All complaints	Complaints investigated	
Open membership funds								
Australian Unity	78%	-1.7% (3,362)	3.0%	5.2%	3.6%	4.8%	5.9%	Yes
BUPA	85%	0.8% (13,829)	26.9%	21.0%	9.9%	17.6%	27.4%	Yes
CUA Health	73%	-1.3% (525)	0.6%	1.5%	0.5%	1.5%	5.0%	Yes
GMHBA	63%	6.8% (9,451)	2.3%	3.1%	0.8%	2.0%	1.8%	Yes
HBF	97%	0.9% (4,754)	8.0%	4.3%	2.8%	4.4%	2.4%	Yes
HCF	84%	1.4% (9,503)	10.4%	10.7%	4.8%	9.7%	11.6%	Yes
Health.com.au	70%	-4.0% (1,583)	0.6%	2.1%	0.3%	1.2%	2.8%	No
Health Partners	89%	1.9% (748)	0.6%	0.3%	0.2%	0.3%	0.6%	Yes
HIF	66%	-1.5% (872)	0.9%	0.4%	0.3%	0.6%	0.2%	Yes
Latrobe	73%	0.7% (319)	0.7%	0.4%	0.1%	0.2%	0.4%	Yes
Medibank	80%	-1.3% (24,201)	26.9%	34.4%	71.4%	46.3%	26.3%	Yes
NIB	78%	3.8% (20,204)	8.3%	8.5%	3.0%	6.1%	8.5%	Yes
Peoplecare	79%	6.0% (1,999)	0.5%	0.3%	0.0%	0.2%	0.0%	Yes
Westfund	83%	-2.1% (968)	0.7%	0.1%	0.0%	0.1%	0.6%	Yes
Restricted membership funds								
CBHS	92%	4.2% (3,908)	1.5%	0.5%	0.2%	0.6%	0.6%	Yes
Defence Health	90%	9.1% (11,033)	2.0%	0.9%	0.5%	0.7%	0.2%	Yes
Teachers Health	92%	6.4% (8,410)	2.3%	2.9%	0.8%	1.5%	2.4%	Yes
TUH	83%	3.3% (1,194)	0.6%	0.6%	0.0%	0.4%	0.7%	Yes

[1] The industry experienced a growth of 0.99 per cent or 64,514 memberships overall.

**Table 2B: Smaller funds (less than 0.5 per cent national market share)**

Fund name (abbreviated)	Member retention (hospital cover)	Membership change <sup>[1]</sup> % (number)	Number complaints received	Below market share?	Number complaints investigated	Below market share?	Code of Conduct member
Open membership funds							
CBHS Corporate	n/a	n/a	1	Yes	1	No	No
CDH	89%	-2.9% (77)	0	Yes	0	Yes	No
GU Corporate	66%	0.5% (154)	23	No	6	No	Yes
HCI	89%	30.2% (1,437)	1	Yes	0	Yes	Yes
MDHF	89%	2.1% (316)	2	Yes	0	Yes	No
Onemedifund	90%	1.6% (91)	0	Yes	0	Yes	Yes
Phoenix	86%	9.8% (747)	4	Yes	0	Yes	Yes
QCH	85%	9.4% (2,062)	1	Yes	0	Yes	Yes
St Lukes	88%	6.5% (1,821)	8	Yes	0	Yes	Yes
Transport Health	59%	-13.5% (1,277)	9	No	0	Yes	Yes
Restricted membership funds							
ACA	92%	0.9% (44)	1	Yes	0	Yes	Yes
Doctors' Health	88%	10.8% (1,613)	10	Yes	3	No	Yes
Emergency Services	n/a	n/a	0	Yes	0	Yes	No
Navy Health	88%	5.2% (993)	4	Yes	2	No	Yes
Nurses and Midwives	n/a	n/a	1	Yes	0	Yes	No
Police Health	92%	3.6% (744)	3	Yes	1	Yes	Yes
Reserve Bank	91%	0.8% (19)	0	Yes	0	Yes	Yes
RT Health Fund	89%	2.8% (634)	21	No	2	No	Yes

[1] The industry experienced a growth of 0.99 per cent or 64,514 memberships overall.

Note: 'n/a' indicates no data as insurer commenced operations during 2016-17.

# HOSPITAL

***Table 3 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](http://ombudsman.gov.au) and [privatehealth.gov.au](http://privatehealth.gov.au).

## PHIO consumer website

The [privatehealth.gov.au](http://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 <sup>[1]</sup>							
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT
Open membership funds								
Australian Unity	85.1%	87.4%	90.7%	88.6%	92.1%	88.8%	90.0%	83.6%
BUPA	82.9%	88.8%	93.2%	91.0%	95.5%	88.4%	93.6%	89.9%
CBHS Corporate	n/a	59.8%	100.0%	100.0%	n/a	n/a	n/a	n/a
CDH	n/a	95.7%	94.0%	95.1%	85.2%	94.4%	95.2%	n/a
CUA Health	74.0%	88.8%	91.1%	92.5%	90.4%	89.5%	91.8%	93.5%
GMHBA	71.2%	81.1%	89.0%	84.8%	87.0%	86.6%	90.0%	80.6%
GU Corporate	85.8%	86.5%	90.4%	87.9%	87.9%	87.9%	88.2%	81.5%
HBF	83.8%	89.4%	93.8%	91.6%	93.3%	96.0%	95.1%	91.2%
HCF	87.5%	93.1%	93.8%	92.4%	95.3%	90.1%	93.7%	88.8%
HCI	84.4%	88.3%	94.2%	89.2%	94.7%	95.7%	95.8%	95.3%
Health.com.au	77.5%	80.9%	84.9%	84.5%	87.1%	83.3%	87.2%	87.1%
Health Partners	82.0%	89.3%	93.2%	93.2%	95.7%	72.9%	95.9%	96.3%
HIF	73.4%	88.2%	90.8%	91.1%	92.2%	92.6%	95.0%	93.6%
Latrobe	78.8%	88.3%	92.4%	91.0%	91.0%	92.3%	92.1%	93.0%
MDHF	84.7%	93.1%	93.6%	93.2%	91.8%	94.3%	89.9%	95.4%
Medibank	83.7%	89.5%	92.8%	90.3%	94.1%	90.5%	93.6%	90.3%
NIB	76.0%	87.6%	86.0%	84.5%	90.7%	84.4%	90.3%	82.7%
Onemedifund	97.8%	93.0%	95.3%	92.8%	96.8%	95.1%	96.6%	n/a
Peoplecare	75.6%	91.2%	92.8%	91.5%	91.8%	93.2%	93.2%	95.8%
Phoenix	87.5%	95.2%	95.4%	94.0%	97.3%	95.6%	95.1%	100.0%
QCH	86.8%	93.0%	93.9%	89.8%	94.3%	90.9%	100.0%	90.4%
St Lukes	93.9%	93.3%	93.5%	91.3%	93.8%	91.5%	94.8%	92.0%
Transport Health	76.0%	90.9%	94.9%	90.1%	91.4%	95.1%	95.7%	n/a
Westfund	87.3%	93.8%	95.7%	92.2%	97.3%	96.3%	96.1%	91.6%
Restricted membership funds								
ACA	85.1%	93.7%	95.2%	96.0%	93.9%	96.4%	97.7%	n/a
CBHS	83.7%	89.9%	94.1%	93.1%	96.1%	92.2%	96.4%	85.0%
Defence Health	85.4%	91.3%	94.0%	92.6%	95.2%	93.5%	94.9%	92.5%
Doctors' Health	89.8%	92.5%	93.3%	93.4%	92.2%	92.1%	89.0%	88.9%
Emergency Services	n/a	66.2%	100.0%	87.2%	84.1%	n/a	n/a	n/a
Navy Health	86.4%	91.8%	93.0%	92.7%	95.2%	93.3%	97.4%	92.1%
Nurses and Midwives	60.2%	84.2%	88.2%	86.5%	n/a	n/a	94.3%	n/a
Police Health	87.0%	91.6%	93.5%	92.8%	97.9%	93.2%	97.1%	93.0%
Reserve Bank	75.2%	92.4%	97.6%	95.7%	99.3%	96.5%	97.9%	n/a
RT Health Fund	88.0%	93.9%	93.5%	93.7%	95.1%	92.4%	93.7%	93.5%
Teachers Health	86.1%	91.4%	93.3%	93.6%	95.0%	91.0%	95.2%	88.8%
TUH	83%	91%	93%	92%	87%	92%	91%	87%

[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 per cent is likely to indicate small numbers (eg. only one episode).

# MEDICAL GAP SCHEMES

*Health insurer ‘medical gap schemes’ are designed to eliminate or reduce the out-of-pocket costs incurred by a patient 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 doctors’ 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	83.6%	90.9%	92.7%	92.0%	93.4%	88.7%	92.7%	86.6%
BUPA	78.5%	84.2%	86.4%	82.1%	85.4%	73.4%	86.6%	80.2%
CBHS Corporate	n/a	70.0%	100.0%	100.0%	n/a	n/a	n/a	n/a
CDH	n/a	87.4%	n/a	n/a	n/a	n/a	n/a	n/a
CUA Health	86.2%	90.5%	91.3%	93.4%	85.4%	87.7%	92.8%	85.1%
GMHBA	58.3%	76.3%	76.9%	81.9%	77.0%	71.5%	74.9%	74.1%
GU Corporate	78.7%	87.8%	92.1%	88.3%	92.3%	85.5%	92.3%	93.6%
HBF	55.4%	65.4%	66.1%	62.2%	57.7%	87.8%	62.1%	46.2%
HCF	80.9%	91.0%	89.3%	92.0%	90.3%	85.2%	90.8%	86.3%
HCI	86.3%	88.8%	90.4%	89.4%	90.4%	93.0%	93.9%	97.0%
Health.com.au	74.4%	84.6%	87.4%	87.2%	84.0%	84.2%	91.1%	85.1%
Health Partners	76.7%	88.3%	91.5%	93.0%	93.8%	85.2%	81.5%	94.0%
HIF	74.6%	84.1%	88.2%	89.0%	88.8%	87.0%	92.7%	88.9%
Latrobe	50.8%	75.7%	79.9%	81.4%	76.7%	76.3%	68.0%	58.0%
MDHF	83.2%	80.6%	81.8%	83.0%	86.3%	72.3%	61.5%	69.4%
Medibank	79.8%	88.4%	84.6%	87.6%	90.3%	73.6%	92.2%	81.6%
NIB	67.5%	88.8%	88.2%	84.1%	91.7%	74.7%	82.9%	80.2%
Onemedifund	87.6%	89.4%	90.0%	91.2%	91.1%	85.9%	94.2%	n/a
Peoplecare	74.9%	92.4%	91.2%	91.4%	89.9%	89.3%	94.4%	82.7%
Phoenix	74.1%	92.2%	91.2%	92.2%	94.3%	86.5%	95.4%	100.0%
QCH	31.6%	92.2%	92.1%	91.8%	89.9%	85.7%	92.7%	86.1%
St Lukes	77.3%	81.3%	80.8%	80.3%	79.9%	71.3%	91.8%	93.3%
Transport Health	59.3%	87.4%	92.2%	89.3%	89.9%	59.0%	99.1%	n/a
Westfund	66.9%	86.0%	84.6%	85.4%	91.3%	86.2%	76.9%	62.9%
Restricted membership funds								
ACA	83.3%	90.8%	93.6%	93.4%	96.4%	91.0%	93.7%	n/a
CBHS	80.4%	88.7%	91.4%	92.4%	90.8%	86.8%	95.2%	82.7%
Defence Health	79.3%	89.2%	91.7%	92.7%	90.7%	88.2%	93.3%	88.5%
Doctors' Health	88.7%	92.1%	93.7%	94.4%	92.8%	89.1%	93.3%	76.1%
Emergency Services	n/a	60.0%	n/a	51.9%	100.0%	n/a	n/a	n/a
Navy Health	78.7%	89.8%	92.1%	91.3%	92.7%	87.1%	92.6%	89.0%
Nurses and Midwives	100.0%	85.7%	76.1%	38.2%	n/a	n/a	100.0%	n/a
Police Health	83.5%	91.0%	88.7%	88.9%	91.8%	84.3%	93.0%	85.8%
Reserve Bank	58.1%	89.9%	93.5%	94.0%	96.1%	90.6%	92.2%	n/a
RT Health Fund	81.5%	92.9%	92.1%	93.3%	94.2%	86.3%	93.3%	87.7%
Teachers Health	84.6%	90.2%	91.1%	92.9%	91.1%	85.4%	94.4%	91.5%
TUH	78.3%	88.8%	92.0%	92.6%	90.6%	89.5%	91.9%	80.9%

Note: 'n/a' signifies no activity or very low activity in that state. 100 per cent is likely to indicate small numbers (eg. only one episode).

**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	92.5%	96.0%	97.6%	95.8%	98.1%	95.2%	97.3%	89.7%
BUPA	85.4%	88.4%	90.2%	85.1%	90.5%	78.4%	90.0%	85.6%
CBHS Corporate	n/a	100.0%	100.0%	100.0%	n/a	n/a	n/a	n/a
CDH	n/a	97.3%	n/a	n/a	n/a	n/a	n/a	n/a
CUA Health	93.9%	96.2%	98.6%	97.8%	97.2%	95.5%	98.9%	100.0%
GMHBA	82.9%	90.8%	89.4%	93.0%	92.8%	85.5%	85.4%	92.0%
GU Corporate	89.4%	94.1%	97.8%	94.2%	97.4%	93.5%	96.8%	98.7%
HBF	92.1%	94.9%	97.7%	95.5%	95.6%	99.6%	89.2%	100.6%
HCF	94.9%	98.3%	99.4%	98.9%	99.8%	97.0%	99.7%	97.5%
HCI	95.4%	95.1%	98.2%	95.0%	99.5%	97.5%	99.2%	100.0%
Health.com.au	93.3%	95.0%	97.1%	96.0%	98.7%	94.4%	99.8%	95.7%
Health Partners	90.5%	94.9%	97.9%	96.7%	99.7%	97.0%	97.2%	97.0%
HIF	91.7%	95.1%	97.3%	96.0%	97.9%	96.5%	98.7%	97.7%
Latrobe	99.1%	99.2%	99.8%	99.6%	99.0%	100.0%	98.1%	100.0%
MDHF	92.1%	97.7%	97.7%	92.8%	97.2%	93.6%	89.0%	95.8%
Medibank	92.9%	95.9%	93.4%	93.4%	98.9%	88.7%	98.1%	93.8%
NIB	67.5%	88.8%	88.2%	84.1%	91.7%	74.7%	82.9%	80.2%
Onemedifund	99.1%	96.7%	97.3%	97.4%	98.1%	96.7%	98.9%	n/a
Peoplecare	92.3%	97.2%	98.7%	97.0%	99.0%	96.5%	99.2%	100.0%
Phoenix	93.3%	97.9%	98.8%	98.5%	99.2%	95.8%	100.0%	100.0%
QCH	49.1%	97.2%	99.0%	97.7%	97.7%	96.2%	96.7%	96.2%
St Lukes	78.4%	86.2%	86.6%	86.1%	89.4%	76.5%	98.3%	96.7%
Transport Health	84.6%	97.5%	97.9%	96.2%	100.0%	96.5%	107.0%	n/a
Westfund	79.4%	90.7%	97.9%	93.1%	96.0%	94.9%	82.0%	68.2%
Restricted membership funds								
ACA	92.2%	96.8%	98.9%	97.6%	98.4%	98.0%	97.8%	n/a
CBHS	94.0%	95.9%	98.2%	96.9%	98.8%	94.5%	99.0%	95.7%
Defence Health	93.8%	96.4%	98.8%	97.7%	99.6%	96.1%	98.9%	96.5%
Doctors' Health	97.0%	98.3%	99.2%	99.0%	99.8%	97.2%	96.8%	98.5%
Emergency Services	n/a	60.0%	n/a	73.1%	100.0%	n/a	n/a	n/a
Navy Health	93.5%	96.5%	98.5%	97.3%	99.4%	96.2%	98.8%	95.4%
Nurses and Midwives	100.0%	95.6%	100.0%	52.9%	n/a	n/a	100.0%	n/a
Police Health	97.4%	95.9%	97.8%	96.6%	99.5%	93.7%	98.1%	95.4%
Reserve Bank	90.3%	96.6%	98.8%	98.1%	99.4%	97.3%	96.3%	n/a
RT Health Fund	96.0%	97.8%	98.5%	97.7%	98.9%	95.4%	99.8%	98.8%
Teachers Health	95.5%	96.7%	98.5%	97.9%	99.6%	95.0%	99.1%	96.6%
TUH	88.0%	96.0%	98.1%	97.5%	95.6%	97.4%	97.5%	97.7%

Note: 'n/a' signifies no activity or very low activity in that state. 100 per cent is likely to indicate small numbers (eg. only one episode).



# 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 per state (5A) for all their policies and services. The second table (5B) 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',<sup>5</sup> 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
- 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.

## 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 at [ombudsman.gov.au](http://ombudsman.gov.au).

The PHIO's consumer website [privatehealth.gov.au](http://privatehealth.gov.au) provides information about all private health insurance policies available in Australia, including benefits, prices and which hospitals a health fund has agreements with.

<sup>5</sup> Also known as 'essentials' cover in Western Australia.

**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	44.4%	47.0%	50.5%	50.5%	53.7%	48.6%	47.1%	48.5%
BUPA	46.3%	50.1%	49.1%	53.5%	54.9%	58.2%	51.4%	57.8%
CBHS Corporate	n/a	52.9%	53.5%	55.4%	42.5%	64.5%	72.0%	70.0%
CDH	35.9%	38.6%	41.3%	37.2%	48.8%	39.7%	39.6%	n/a
CUA Health	43.7%	54.0%	51.0%	49.7%	50.1%	48.0%	47.6%	43.1%
GMHBA	51.8%	55.0%	50.5%	54.5%	54.8%	51.5%	50.4%	51.3%
GU Corporate	71.8%	74.7%	75.3%	72.5%	72.9%	76.2%	69.4%	78.8%
HBF	49.1%	51.5%	51.5%	51.7%	55.7%	57.8%	56.4%	57.6%
HCF	47.0%	47.5%	55.1%	57.2%	60.6%	55.4%	48.7%	50.5%
HCI	43.7%	52.9%	53.6%	50.0%	52.5%	47.6%	48.0%	63.5%
Health.com.au	53.6%	53.1%	53.9%	52.5%	56.5%	55.7%	53.3%	57.2%
Health Partners	33.8%	38.3%	44.6%	41.3%	57.6%	42.0%	46.4%	49.2%
HIF	42.3%	46.3%	47.1%	47.7%	50.1%	47.9%	46.4%	47.1%
Latrobe	27.6%	41.3%	36.1%	35.8%	39.0%	38.4%	35.7%	43.4%
MDHF	47.1%	55.5%	55.6%	51.0%	52.7%	52.4%	50.2%	49.6%
Medibank	47.3%	52.1%	53.6%	55.4%	58.9%	58.0%	54.5%	59.7%
NIB	54.5%	53.9%	59.1%	56.0%	59.9%	58.7%	55.1%	58.2%
Onemedifund	46.6%	50.9%	52.3%	51.0%	54.9%	53.0%	51.8%	n/a
Peoplecare	47.6%	50.9%	49.5%	48.2%	52.9%	50.2%	48.3%	47.9%
Phoenix	50.6%	52.9%	53.8%	54.9%	55.6%	52.1%	46.1%	51.9%
QCH	46.7%	50.0%	50.8%	53.5%	53.8%	51.2%	48.8%	49.2%
St Lukes	56.0%	62.1%	60.4%	58.8%	67.2%	58.7%	59.1%	52.4%
Transport Health	41.7%	49.0%	54.5%	49.1%	52.5%	51.7%	51.8%	49.0%
Westfund	43.7%	48.2%	46.4%	50.8%	50.9%	47.5%	47.5%	44.9%
Restricted membership funds								
ACA	52.8%	61.1%	61.5%	61.0%	65.2%	58.8%	58.9%	65.6%
CBHS	45.1%	49.7%	51.7%	52.5%	54.9%	50.9%	49.9%	43.8%
Defence Health	44.7%	49.2%	51.3%	51.7%	55.3%	51.4%	48.8%	51.9%
Doctors' Health	54.5%	53.7%	55.5%	56.4%	56.5%	55.0%	54.6%	59.1%
Emergency Services	75.4%	66.5%	70.2%	69.6%	67.7%	70.6%	52.4%	63.4%
Navy Health	45.5%	48.9%	53.2%	51.6%	56.1%	52.5%	50.6%	50.5%
Nurses and Midwives	57.0%	53.3%	54.6%	48.4%	59.8%	59.8%	49.1%	35.2%
Police Health	66.2%	65.9%	68.3%	68.8%	71.2%	69.8%	67.5%	69.6%
Reserve Bank	73.0%	74.3%	77.5%	76.9%	85.0%	75.9%	78.1%	90.0%
RT Health Fund	42.4%	51.5%	48.9%	50.5%	50.5%	49.7%	45.5%	49.8%
Teachers Health	42.2%	50.1%	50.4%	50.1%	52.9%	51.5%	49.5%	47.8%
TUH	43.0%	50.0%	47.2%	55.3%	51.1%	50.7%	48.7%	45.9%

Note: 'n/a' signifies no activity in that state. 100 per cent is likely to indicate small numbers (eg. only one episode).

**Table 5B: General treatment (extras)**

Fund name (abbreviated)	Average amount of costs covered by service												
	Dental [1]	Optical [1]	Physiotherapy	Chiropractic	Pharmacy	Podiatry	Natural therapies	Ambulance	Acupuncture	Psychology/ group therapy	Preventative health	Hearing aids & audiology	Occupational therapy
Open membership funds													
Australian Unity	46.2%	64.5%	62.7%	46.4%	40.6%	48.0%	46.1%	98.8%	40.5%	34.6%	69.3%	15.2%	44.4%
BUPA	54.6%	56.4%	50.1%	51.2%	36.4%	49.6%	37.9%	99.9%	42.0%	41.5%	27.8%	18.3%	32.3%
CBHS Corporate	53.3%	50.0%	53.6%	60.8%	49.5%	55.4%	52.1%	n/a	63.9%	n/a	36.7%	n/a	42.8%
CDH	39.9%	50.1%	50.0%	44.0%	45.1%	35.6%	27.8%	100.0%	45.6%	21.7%	25.9%	n/a	28.2%
CUA Health	51.4%	61.6%	40.8%	43.6%	31.1%	58.0%	41.6%	100.0%	47.6%	35.8%	54.6%	34.8%	41.4%
GMHBA	52.1%	57.3%	47.2%	50.0%	39.5%	49.1%	45.6%	88.9%	47.2%	44.3%	89.3%	24.7%	42.8%
GU Corporate	74.8%	67.1%	82.4%	78.9%	53.9%	78.1%	80.2%	100.0%	77.8%	78.6%	55.6%	17.0%	87.3%
HBF	60.7%	57.5%	44.0%	45.7%	50.4%	49.3%	49.2%	99.9%	49.2%	42.7%	77.4%	29.5%	47.2%
HCF	56.8%	56.6%	43.0%	42.8%	36.9%	41.1%	32.6%	100.0%	32.3%	46.9%	49.0%	28.1%	43.9%
HCI	51.2%	51.1%	46.4%	55.0%	46.5%	51.5%	53.2%	100.0%	53.8%	32.6%	58.1%	40.6%	39.8%
Health.com.au	51.5%	46.0%	60.6%	61.2%	35.7%	63.0%	60.3%	100.0%	59.1%	53.0%	n/a	n/a	57.9%
Health Partners	59.6%	54.0%	58.9%	44.9%	45.7%	33.9%	26.1%	99.6%	30.7%	34.8%	66.1%	31.3%	40.3%
HIF	49.6%	59.0%	37.6%	37.7%	43.2%	37.1%	23.6%	99.1%	22.6%	35.2%	34.5%	29.2%	35.1%
Latrobe	33.3%	53.7%	34.1%	36.7%	23.0%	38.5%	24.7%	75.8%	43.2%	34.1%	29.7%	13.8%	39.1%
MDHF	62.3%	55.6%	44.1%	47.8%	22.8%	47.0%	40.1%	81.9%	34.4%	25.2%	70.0%	17.3%	34.0%
Medibank	52.5%	67.7%	48.6%	54.0%	30.9%	53.2%	52.2%	100.0%	44.8%	37.2%	66.9%	25.3%	37.0%
NIB	56.2%	53.8%	58.8%	57.6%	41.6%	56.8%	54.3%	100.0%	55.7%	55.4%	47.3%	19.0%	57.8%
Onemedifund	55.2%	52.1%	54.2%	46.9%	35.9%	47.4%	39.3%	98.0%	39.5%	46.0%	76.5%	23.4%	40.9%
Peoplecare	49.4%	62.4%	41.2%	45.3%	53.3%	41.1%	39.4%	98.7%	42.8%	38.8%	65.8%	31.7%	40.4%

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

Note: All percentages based on health fund reporting to APRA. 'n/a' signifies no activity and 100 per cent is likely to indicate small numbers (eg. only 1 episode).

Average amount of costs covered by service													
Fund name (abbreviated)	Dental [1]	Optical [1]	Physiotherapy	Chiropractic	Pharmacy	Podiatry	Natural therapies	Ambulance	Acupuncture	Psychology/ group therapy	Preventative health	Hearing aids & audiology	Occupational therapy
Phoenix	57.6%	61.7%	51.3%	49.7%	40.1%	53.5%	35.5%	97.7%	41.2%	42.4%	48.8%	42.0%	43.7%
QCH	53.1%	58.8%	48.0%	61.7%	35.1%	65.7%	39.8%	n/a	45.4%	47.6%	42.1%	37.6%	40.7%
St Lukes	64.3%	67.8%	51.3%	54.3%	42.0%	49.1%	42.3%	78.2%	45.0%	50.4%	52.4%	45.0%	48.4%
Transport Health	55.3%	59.3%	47.1%	56.0%	35.2%	53.8%	42.6%	100.0%	36.1%	33.9%	53.1%	23.4%	30.3%
Westfund	52.8%	49.0%	39.7%	56.0%	38.0%	40.8%	40.2%	99.9%	37.2%	36.4%	53.7%	38.1%	56.4%
Restricted membership funds													
ACA	64.8%	71.4%	45.4%	51.1%	46.2%	74.4%	39.0%	98.1%	38.4%	52.5%	n/a	40.8%	55.3%
CBHS	50.8%	53.1%	53.4%	61.5%	42.7%	45.9%	44.9%	96.9%	46.9%	42.4%	36.2%	35.2%	35.7%
Defence Health	50.0%	52.4%	52.7%	55.2%	46.9%	52.7%	40.3%	100.0%	36.8%	47.3%	84.7%	30.5%	47.3%
Doctors' Health	58.5%	57.6%	48.6%	n/a	45.9%	52.4%	n/a	n/a	n/a	50.3%	35.3%	21.6%	42.3%
Emergency Services	71.2%	53.0%	77.1%	76.1%	44.3%	66.6%	40.6%	n/a	80.0%	69.4%	n/a	n/a	n/a
Navy Health	47.9%	57.6%	54.9%	61.0%	46.9%	52.7%	46.7%	99.3%	n/a	41.8%	100.0%	27.4%	38.2%
Nurses and Midwives	56.5%	52.7%	46.9%	63.9%	41.5%	48.5%	44.7%	100.0%	38.8%	48.9%	63.7%	42.9%	57.9%
Police Health	70.4%	67.7%	75.9%	77.2%	43.7%	70.2%	39.0%	99.8%	75.6%	75.5%	100.0%	33.9%	70.6%
Reserve Bank	76.4%	73.7%	72.1%	74.3%	60.8%	78.5%	78.4%	100.0%	76.0%	77.0%	57.4%	77.2%	67.7%
RT Health Fund	48.2%	63.5%	53.9%	53.5%	41.7%	50.3%	39.4%	100.0%	55.6%	23.2%	46.7%	35.1%	34.4%
Teachers Health	52.7%	51.6%	46.2%	58.9%	40.9%	54.6%	46.4%	99.8%	43.3%	41.5%	41.2%	34.9%	60.6%
TUH	59.6%	53.6%	48.9%	56.1%	37.1%	61.9%	52.0%	100.0%	45.6%	43.2%	51.2%	41.4%	38.5%

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

Note: All percentages based on health fund reporting to APRA. 'n/a' signifies no activity and 100 per cent is likely to indicate small numbers (eg. only 1 episode).

# 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.<sup>6</sup> Information included in the Financial Performance table (Table 6) 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.

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.

<sup>6</sup> The 'Operations of the Private Health Insurers' report is available on the APRA website: [apra.gov.au](http://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 2016–17 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 higher relative 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	82.4%	11.0%	\$372	6.7%	5.7%	No
BUPA	85.0%	7.9%	\$283	7.2%	6.1%	No
CBHS Corporate	n/a	n/a	n/a	n/a	n/a	No
CDH	99.2%	11.6%	\$471	-10.8%	-8.6%	Yes
CUA Health	85.2%	9.6%	\$349	5.2%	5.2%	No
GMHBA	86.7%	10.6%	\$347	2.7%	4.2%	Yes
GU Corporate	80.4%	14.0%	\$804	5.6%	5.4%	No
HBF	91.4%	10.3%	\$317	-1.7%	3.5%	Yes
HCF	88.0%	8.5%	\$313	3.5%	6.9%	Yes
HCI	87.9%	12.5%	\$472	-0.4%	3.1%	Yes
Health.com.au	90.1%	6.2%	\$193	3.7%	3.0%	No
Health Partners	91.7%	9.3%	\$335	-1.0%	5.2%	Yes
HIF	93.7%	11.9%	\$334	-5.6%	-1.5%	Yes
Latrobe	89.9%	9.1%	\$329	0.9%	3.6%	Yes
MDHF	90.3%	7.9%	\$232	1.9%	5.7%	Yes
Medibank	83.5%	8.7%	\$299	7.7%	7.1%	No
NIB	84.0%	9.6%	\$298	6.4%	6.3%	No
Onemedifund	77.2%	7.9%	\$419	14.9%	11.1%	No
Peoplecare	88.5%	9.8%	\$383	1.7%	4.7%	Yes
Phoenix	88.8%	9.0%	\$397	2.2%	4.2%	Yes
QCH	88.5%	10.4%	\$464	1.1%	3.0%	No
St Lukes	89.7%	12.2%	\$484	-1.9%	1.6%	Yes
Transport Health	85.9%	13.3%	\$413	0.8%	2.3%	No
Westfund	83.2%	13.1%	\$508	3.6%	5.7%	Yes
Restricted membership funds						
ACA	83.6%	9.9%	\$506	6.5%	8.8%	Yes
CBHS	91.2%	7.1%	\$294	1.8%	5.3%	Yes
Defence Health	97.2%	6.3%	\$233	-3.4%	0.6%	Yes
Doctors' Health	82.9%	10.0%	\$509	7.1%	6.1%	No
Emergency Services	n/a	n/a	n/a	n/a	n/a	Yes
Navy Health	92.6%	9.4%	\$362	-2.0%	4.4%	Yes
Nurses and Midwives	n/a	n/a	n/a	n/a	n/a	Yes
Police Health	90.3%	8.0%	\$431	1.7%	4.8%	Yes
Reserve Bank	83.5%	12.0%	\$722	4.5%	6.5%	Yes
RT Health Fund	84.3%	14.4%	\$647	1.3%	0.0%	Yes
Teachers Health	87.2%	6.9%	\$275	3.9%	6.1%	Yes
TUH	89.9%	9.1%	\$423	0.9%	4.8%	Yes

Note: 'n/a' indicates no data as insurer commenced operations during 2016-17.

# 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](http://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 hospitals<sup>7</sup>

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).<sup>8</sup>

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.

<sup>7</sup> According to [privatehealth.gov.au](http://privatehealth.gov.au), 8 January 2018 or as supplied by the fund.

<sup>8</sup> 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.



**Table 7A: New South Wales**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	1.7%	18.9%	98	88		
BUPA	25.8%	31.5%	87	74	Yes	
CBHS Corporate	0.0%	67.3%	79	65		
CDH	0.1%	89.9%	75	53	Yes	
CUA Health	0.5%	25.8%	101	91	Yes	
GMHBA	1.0%	15.3%	99	90		
GU Corporate	0.6%	49.0%	98	90		
HBF	0.8%	3.5%	96	85		
HCF	19.6%	62.0%	83	86	Yes	
HCI	0.0%	10.4%	100	100		
Health.com.au	0.6%	35.8%	85	74		
Health Partners	0.0%	1.4%	100	89		
HIF	0.3%	12.4%	99	91		
Latrobe	0.2%	7.9%	77	51		
MDHF	0.1%	10.8%	80	51		Yes
Medibank	23.0%	28.2%	88	74	Yes	Yes
NIB	13.7%	54.3%	88	91	Yes	
Onemedifund	0.1%	40.9%	100	89	Yes	
Peoplecare	0.7%	45.8%	100	89	Yes	
Phoenix	0.2%	48.3%	99	98	Yes	
QCH	0.0%	1.6%	81	72		
St Lukes	0.0%	3.6%	79	48		
Transport Health	0.1%	15.2%	89	100		
Westfund	1.3%	62.0%	99	90	Yes	
Restricted membership funds						
ACA	0.1%	58.0%	79	66	Yes	
CBHS	2.0%	44.9%	79	65		
Defence Health	1.1%	18.1%	99	90		Yes
Doctors' Health	0.3%	39.1%	99	90	Yes	
Emergency Services	0.0%	18.9%	99	92		
Navy Health	0.3%	29.8%	98	89		
Nurses and Midwives	0.0%	59.1%	100	89		
Police	0.0%	1.6%	99	92		
Reserve Bank	0.1%	61.1%	100	89	Yes	
RT Health Fund	0.6%	51.6%	89	100	Yes	
Teachers Health	4.8%	69.6%	100	89	Yes	
TUH	0.1%	3.7%	100	89		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7B: Victoria**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	7.7%	60.8%	78	75	Yes	
BUPA	24.2%	21.2%	75	59	Yes	
CBHS Corporate	0.0%	14.2%	73	50		
CDH	0.0%	3.8%	74	64		
CUA Health	0.4%	17.5%	78	77	Yes	Yes
GMHBA	6.1%	64.0%	78	76	Yes	Yes
GU Corporate	0.4%	22.4%	77	76		
HBF	1.3%	3.7%	77	71		
HCF	6.5%	14.9%	70	45	Yes	
HCI	0.1%	24.9%	79	79		
Health.com.au	0.8%	33.0%	71	64		
Health Partners	0.1%	3.4%	78	75		
HIF	0.6%	15.1%	77	76		
Latrobe	2.5%	88.0%	76	62	Yes	Yes
MDHF	0.8%	84.8%	76	63	Yes	Yes
Medibank	33.0%	28.9%	68	53	Yes	
NIB	7.4%	20.9%	71	68	Yes	
Onemedifund	0.1%	24.9%	78	75		
Peoplecare	0.7%	32.3%	78	75	Yes	
Phoenix	0.1%	19.2%	78	82		
QCH	0.0%	0.9%	74	58		
St Lukes	0.1%	5.5%	75	62		
Transport Health	0.4%	67.2%	75	78		
Westfund	0.0%	0.9%	78	76		
Restricted membership funds						
ACA	0.0%	12.9%	73	50		
CBHS	1.5%	24.7%	73	50		
Defence Health	2.5%	30.1%	78	76	Yes	Yes
Doctors' Health	0.3%	30.1%	78	76		
Emergency Services	0.0%	22.3%	76	77		
Navy Health	0.4%	27.5%	78	75	Yes	
Nurses and Midwives	0.0%	28.0%	78	74		
Police	0.0%	2.4%	77	77		
Reserve Bank	0.0%	23.1%	78	75		
RT Health Fund	0.2%	10.4%	75	78		
Teachers Health	1.4%	14.6%	78	74	Yes	
TUH	0.1%	2.9%	78	75		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7C: Queensland**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	2.1%	12.4%	53	48		
BUPA	33.0%	21.6%	50	33	Yes	
CBHS Corporate	0.0%	7.1%	46	34		
CDH	0.0%	4.3%	51	30		
CUA Health	1.8%	51.9%	53	48	Yes	Yes
GMHBA	1.5%	11.4%	54	47		
GU Corporate	0.3%	11.3%	51	45		
HBF	0.8%	1.7%	52	45		
HCF	6.7%	11.5%	50	37	Yes	
HCI	0.0%	9.3%	58	52		
Health.com.au	0.6%	19.2%	44	38		
Health Partners	0.1%	1.6%	53	48		
HIF	0.5%	9.6%	53	44		
Latrobe	0.1%	2.1%	48	31		
MDHF	0.0%	1.5%	47	31		
Medibank	32.5%	21.3%	52	39	Yes	
NIB	6.1%	12.9%	46	42	Yes	
Onemedifund	0.1%	12.6%	53	48		
Peoplecare	0.4%	12.0%	53	48		
Phoenix	0.1%	14.4%	55	51		
QCH	2.0%	95.9%	52	47	Yes	Yes
St Lukes	0.1%	2.8%	48	31		
Transport Health	0.1%	12.7%	48	53		
Westfund	1.3%	35.1%	54	47	Yes	
Restricted membership funds						
ACA	0.1%	19.0%	46	36		
CBHS	1.3%	15.5%	46	34		
Defence Health	3.3%	29.3%	52	45		Yes
Doctors' Health	0.3%	21.6%	53	47		
Emergency Services	0.0%	30.3%	51	46		
Navy Health	0.3%	18.5%	53	45		
Nurses and Midwives	0.0%	3.7%	48	53		
Police	0.6%	35.0%	51	46		
Reserve Bank	0.0%	6.3%	53	48		
RT Health Fund	0.7%	34.2%	48	53	Yes	
Teachers Health	0.4%	3.1%	48	53		
TUH	3.0%	92.3%	53	48	Yes	

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7D: South Australia**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	1.5%	3.8%	25	25		
BUPA	50.4%	14.4%	26	22	Yes	
CBHS Corporate	0.0%	3.3%	27	19		
CDH	0.0%	0.9%	22	15		
CUA Health	0.1%	1.2%	26	25		
GMHBA	0.4%	1.5%	26	25		
GU Corporate	0.1%	1.8%	26	24		
HBF	0.5%	0.5%	24	23		
HCF	6.1%	4.6%	25	17	Yes	
HCI	0.0%	2.3%	27	28		
Health.com.au	0.2%	2.7%	27	23		
Health Partners	7.5%	92.6%	25	25	Yes	Yes
HIF	0.3%	2.5%	26	26		
Latrobe	0.0%	0.6%	22	14		
MDHF	0.1%	2.2%	22	14		
Medibank	21.9%	6.3%	26	20	Yes	Yes
NIB	3.3%	3.0%	23	22		
Onemedifund	0.1%	5.1%	25	25		
Peoplecare	0.3%	5.0%	25	25		
Phoenix	0.2%	13.2%	27	28		
QCH	0.0%	0.3%	27	21		
St Lukes	0.1%	1.6%	22	14		
Transport Health	0.0%	1.7%	25	25		
Westfund	0.0%	0.5%	26	25		
Restricted membership funds						
ACA	0.0%	3.3%	27	21		
CBHS	0.9%	4.7%	27	19		
Defence Health	2.1%	8.3%	27	26		Yes
Doctors' Health	0.1%	3.2%	26	25		
Emergency Services	0.0%	13.7%	26	25		
Navy Health	0.2%	5.5%	26	24		
Nurses and Midwives	0.0%	2.7%	25	24		
Police	1.5%	36.1%	26	25	Yes	
Reserve Bank	0.0%	3.7%	25	25		
RT Health Fund	0.1%	1.3%	25	25		
Teachers Health	1.8%	6.2%	25	24		
TUH	0.0%	0.2%	25	25		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7E: Western Australia**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	0.5%	2.3%	20	22		
BUPA	11.4%	5.6%	19	15	Yes	
CBHS Corporate	0.0%	4.3%	16	11		
CDH	0.0%	0.3%	18	15		
CUA Health	0.1%	2.1%	21	24	Yes	
GMHBA	0.9%	5.6%	20	24		
GU Corporate	0.4%	13.3%	20	24		
HBF	54.3%	90.0%	23	21	Yes	Yes
HCF	2.7%	3.4%	18	11	Yes	
HCI	0.0%	1.3%	21	26		
Health.com.au	0.2%	5.6%	18	18		
Health Partners	0.0%	0.4%	22	23		
HIF	3.9%	58.8%	21	23	Yes	Yes
Latrobe	0.0%	0.4%	18	14		
MDHF	0.0%	0.3%	18	14		
Medibank	19.9%	9.8%	20	18	Yes	Yes
NIB	2.7%	4.3%	19	20		
Onemedifund	0.1%	11.2%	22	23		
Peoplecare	0.1%	2.7%	22	23		
Phoenix	0.0%	3.2%	21	25		
QCH	0.0%	0.6%	17	15		
St Lukes	0.0%	0.6%	17	14		
Transport Health	0.0%	1.7%	23	22		
Westfund	0.0%	0.5%	20	24		
Restricted membership funds						
ACA	0.0%	4.5%	16	11		
CBHS	0.8%	7.1%	16	11		
Defence Health	0.6%	4.3%	20	24		Yes
Doctors' Health	0.0%	2.1%	20	24		
Emergency Services	0.0%	5.7%	20	24		
Navy Health	0.2%	7.4%	20	24		
Nurses and Midwives	0.0%	1.3%	22	23		
Police	0.3%	14.0%	20	24		
Reserve Bank	0.0%	3.4%	22	23		
RT Health Fund	0.0%	1.2%	23	22		
Teachers Health	0.5%	2.9%	22	23		
TUH	0.0%	0.2%	22	23		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7F: Tasmania**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	1.0%	0.7%	5	3		
BUPA	36.0%	2.7%	8	4	Yes	
CBHS Corporate	0.0%	0.9%	8	2		
CDH	0.0%	0.3%	6	7		
CUA Health	0.1%	0.3%	8	3		
GMHBA	1.1%	1.0%	8	3		
GU Corporate	0.1%	0.5%	8	3		
HBF	0.8%	0.2%	8	3		
HCF	3.0%	0.6%	5	3		
HCI	2.3%	51.0%	8	5	Yes	
Health.com.au	0.2%	0.7%	8	3		
Health Partners	0.1%	0.2%	5	3		
HIF	0.2%	0.6%	8	4		
Latrobe	0.2%	0.5%	8	6		
MDHF	0.0%	0.1%	8	6		
Medibank	28.8%	2.2%	5	3	Yes	
NIB	2.3%	0.6%	5	2		
Onemedifund	0.2%	5.1%	5	3		
Peoplecare	0.2%	0.7%	5	3		
Phoenix	0.0%	0.6%	8	5		
QCH	0.0%	0.2%	8	3		
St Lukes	18.9%	85.7%	8	6	Yes	Yes
Transport Health	0.0%	0.5%	3	5		
Westfund	0.1%	0.2%	8	3		
Restricted membership funds						
ACA	0.0%	1.4%	8	2		
CBHS	1.1%	1.6%	8	2		
Defence Health	1.1%	1.1%	8	3		
Doctors' Health	0.1%	0.9%	8	3		
Emergency Services	0.0%	1.7%	8	4		
Navy Health	0.2%	1.4%	8	3		
Nurses and Midwives	0.0%	3.4%	5	3		
Police	0.5%	3.0%	8	4		
Reserve Bank	0.0%	1.1%	5	3		
RT Health Fund	0.1%	0.4%	3	5		
Teachers Health	1.2%	1.1%	5	3		
TUH	0.1%	0.3%	5	3		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7G: Australian Capital Territory**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	1.6%	1.1%	6	7		
BUPA	22.4%	1.7%	5	4	Yes	
CBHS Corporate	0.0%	2.4%	5	4		
CDH	0.0%	0.4%	5	6		
CUA Health	0.3%	1.0%	6	7	Yes	
GMHBA	1.2%	1.1%	6	7		
GU Corporate	0.3%	1.5%	6	7		
HBF	0.9%	0.2%	6	7		
HCF	14.2%	2.8%	5	6	Yes	
HCI	0.0%	0.8%	6	8		
Health.com.au	0.7%	2.4%	6	6		
Health Partners	0.1%	0.3%	6	7		
HIF	0.3%	0.8%	6	7		
Latrobe	0.1%	0.4%	5	6		
MDHF	0.0%	0.1%	5	6		
Medibank	29.0%	2.2%	5	4	Yes	
NIB	15.3%	3.7%	6	7	Yes	
Onemedifund	0.0%	0.2%	6	7		
Peoplecare	0.3%	1.3%	6	7		
Phoenix	0.1%	0.8%	6	7		
QCH	0.0%	0.2%	6	7		
St Lukes	0.0%	0.2%	5	6		
Transport Health	0.1%	0.9%	7	6		
Westfund	0.2%	0.7%	6	7		
Restricted membership funds						
ACA	0.0%	0.8%	5	4		
CBHS	1.0%	1.4%	5	4		
Defence Health	7.2%	7.3%	6	7		Yes
Doctors' Health	0.3%	2.6%	6	7		
Emergency Services	0.0%	2.3%	6	7		
Navy Health	1.3%	8.9%	6	7		
Nurses and Midwives	0.0%	1.3%	5	7		
Police	0.1%	0.4%	6	7		
Reserve Bank	0.0%	1.2%	6	7		
RT Health Fund	0.1%	0.6%	7	6		
Teachers Health	2.4%	2.2%	5	7		
TUH	0.1%	0.3%	7	6		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.

**Table 7H: Northern Territory**

Fund name (abbreviated)	% fund market share this state	% fund's membership in this state	Agreement hospitals <sup>[1]</sup>		Fund outlets	
			Private hospitals	Private day hospitals	Retail offices	Agencies
Open membership funds						
Australian Unity	0.5%	0.1%	2	1		
BUPA	38.6%	1.1%	1	1	Yes	
CBHS Corporate	0.0%	0.5%	1	0		
CDH	0.0%	0.0%	1	1		
CUA Health	0.1%	0.1%	2	1		
GMHBA	0.4%	0.1%	2	1		
GU Corporate	0.1%	0.2%	2	1		
HBF	2.0%	0.2%	2	1		
HCF	5.0%	0.4%	1	1		
HCI	0.0%	0.1%	2	1		
Health.com.au	0.5%	0.7%	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	40.7%	1.2%	1	1	Yes	
NIB	2.6%	0.2%	1	1		
Onemedifund	0.0%	0.0%	2	1		
Peoplecare	0.1%	0.2%	2	1		
Phoenix	0.0%	0.1%	2	1		
QCH	0.2%	0.4%	1	1		
St Lukes	0.0%	0.1%	1	1		
Transport Health	0.0%	0.1%	1	2		
Westfund	0.1%	0.1%	2	1		
Restricted membership funds						
ACA	0.0%	0.1%	1	0		
CBHS	0.4%	0.2%	1	0		
Defence Health	3.7%	1.5%	2	1		Yes
Doctors' Health	0.1%	0.4%	2	1		
Emergency Services	0.0%	5.1%	2	1		
Navy Health	0.4%	1.1%	2	1		
Nurses and Midwives	0.0%	0.5%	2	1		
Police	3.0%	7.4%	2	1		
Reserve Bank	0.0%	0.0%	2	1		
RT Health Fund	0.1%	0.2%	1	2		
Teachers Health	0.8%	0.3%	2	1		
TUH	0.1%	0.1%	2	1		

[1] Agreement hospitals data is sourced from [privatehealth.gov.au](http://privatehealth.gov.au) as of 8 January 2018.



# 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 enquiries 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](http://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](mailto: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, email and fax, 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:

- visit our website [privatehealth.gov.au](http://privatehealth.gov.au)
- call our Hotline on 1300 737 299, or
- email us at [phio.info@ombudsman.gov.au](mailto: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](http://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](http://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](http://privatehealth.gov.au) and [ombudsman.gov.au](http://ombudsman.gov.au).