

PRIVATE HEALTH INSURANCE LEVEL

**318. Mr D'ORAZIO to the Minister for Health:**

Has the recently announced increased level of private health insurance nationally led to a reduction in the demand for public in-patient services? Can the minister tell the House the current level of private health insurance in Western Australia?

**Mr KUCERA replied:**

I thank the member for Ballajura for the question. It is interesting that the latest statistics produced by the Private Health Insurance Administration Council indicate that 47.7 per cent of Western Australians have private patient health insurance. This compares with 44.2 per cent coverage at 30 June 2000 and 35 per cent coverage at 30 June 1999. Western Australia's private health insurance coverage is now the highest in the country. I have flagged that that is a problem for us in terms of triggers. Nonetheless, in the year to 30 June 2000, when private health insurance coverage in Western Australia increased by 182 000 persons, the proportion of public patient admissions to total public and private hospital admissions increased from 62 per cent to 63 per cent. This represents another 15 000 public patient admissions. Apart from the Australian Capital Territory and the Northern Territory, Western Australia has the highest proportion of public in-patients.

Western Australia has the highest private health insurance coverage, yet it still has the highest proportion of public in-patients. What has the federal coalition's policy on private health insurance achieved? The Commonwealth's rebate scheme, which has encouraged people back into private health insurance, is costing \$2.2 billion, yet this State is receiving absolutely no benefit in the form of reduced demand for public hospital services. The rebate scheme has done absolutely nothing for the public hospital system in Western Australia. Private patient health insurance coverage is increasing. Private health insurance fund contributions are increasing. Commonwealth government private health insurance rebates are increasing. However, public hospital costs are also increasing. We have all this, and no reduction in the demand for public patient services. This is a federal coalition policy, under which the community is losing at every turn. We know where the gap is. It is time to ask why we are spending \$2.2 billion on a scheme that is not taking any pressure off the public hospital system and is denying the public hospital system desperately needed funds. We know where the gap is in this country.