

HEALTH INSURANCE FUNDS, INCREASE IN PREMIUMS

**114.Mr P.W. ANDREWS to the Minister for Health:**

Can the minister confirm that the Commonwealth has given the go-ahead to the private health insurance funds to increase the cost of private health insurance premiums without reference to the federal Minister for Health?

**Mr R.C. KUCERA replied:**

I thank the member for Southern River for the question, because it is his area and areas like his in the outer suburban parts of this city that will be impacted on the most by this decision. Again we will have a rise in the cost of private health insurance that will drive even more people into our public hospital system. I have some figures with me. After previous undertakings by the Commonwealth that it would agree only to genuine price rise applications, the health insurance funds will now be at liberty to increase premiums each year by at least the consumer price index without reference to the federal Minister for Health. In other words, private health insurance fund members are facing another three per cent price increase this year, and this is within months of an 18 per cent increase by Western Australia's largest insurer. That will equate to a 21 per cent increase this year. The member for Murdoch, in supporting that, has obviously become part of the pathway towards deregulating health insurance in this country and thereby penalising people who do not take out private health insurance by starving the public health system of Medicare money. If the member for Murdoch and the federal Government were proud of their announcement yesterday, why did they cynically use 11 September to announce it? This is an orchestrated action on the part of the coalition parties to destroy the Medicare scheme through a long-term, insidious program of neglect. The federal Government is now showing its true colours. It is about providing massive and direct support to the private health system in this country at the expense of public hospitals. We as a State Government will not sit back and allow that to occur. It is an absolute disgrace. The opposition spokesperson is supporting the people who would do this to the most needy in Australia.