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## MEDIA RELEASE

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**PRESIDENT**  
Mr Richard Bowden  
**CHIEF EXECUTIVE**  
Hon Dr Michael Armitage

### Australians Value Private Health Insurance.

More and more Australians are taking out Private Health Insurance because they value freedom of choice, their right to a choice of doctor, hospital and timing of their surgery.

The CEO of the AHIA, Dr Michael Armitage said the fact that more than 12 million Australians have some form of private health insurance reflects a belief that private health provides better cover, better access and better care.

Dr Armitage rejected claims by the Doctors Reform Society that recent PHI growth was a result of wealthier Australians joining private health insurance to avoid the public system, *“even though once they get in it is high quality care, even better than in private hospitals”*. (Doctors Reform Society)

“The Productivity Commission has found that the private sector delivers shorter waiting times, shorter lengths of stay and higher productivity, but most importantly it provides a safer health care environment. Therefore it makes no sense for the Australian Government to divert resources from the private health sector only to place increased pressure on the public hospital system.

“It is a myth that private health cover is only for the wealthy. Of the 12 million privately insured Australians, Government figures show that 5.6 million have an annual household income less than \$50,000 and, of those, 3.4 million have an annual household income of less than \$35,000.

“The Private Health Insurance Industry has maintained that means-testing the 30% Rebate would force people out of the private system and into the public sector; that it would increase pressure on the public hospital system; and force premiums to increase, disadvantaging lower income earners who remain in private health insurance.

“These latest figures demonstrate that the balance between the private and public health sectors is working and that the Government should maintain the existing Rebate and other incentives,” said Dr Armitage.

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