

Quarterly Update:

1 July to 30 September 2024

The Office of the Commonwealth Ombudsman (the Office), as the Private Health Insurance Ombudsman, protects the interests of private health insurance consumers. We do this in many ways, including:

- assisting health insurance consumers to resolve complaints through our independent complaint-handling service
- identifying underlying problems with private health insurers or health care providers
- reporting and providing advice and recommendations to industry and government about private health insurance, including the performance of the sector and the nature of complaints
- managing [PrivateHealth.gov.au](https://www.privatehealth.gov.au), a comprehensive source of independent information about private health insurance for consumers.

This update covers the July to September 2024 quarter.

During the July to September quarter, the Office received 912 complaints in its capacity as the Private Health Insurance Ombudsman.¹ This was a decrease of 13 per cent compared to the same period in 2023–24.

The quarter by quarter comparison of all complaints received by the Private Health Insurance Ombudsman is shown in **Figure 1**.

¹ Includes complaints about private health insurers, hospitals, practitioners and brokers. Refer to [Private Health Insurance industry updates](#) for definitions of complaints, issues and other terms, and previous quarterly updates. Our data is dynamic and regularly updated. This means there may be minor differences when compared to the last quarterly update.



Figure 1: Complaints received by quarter

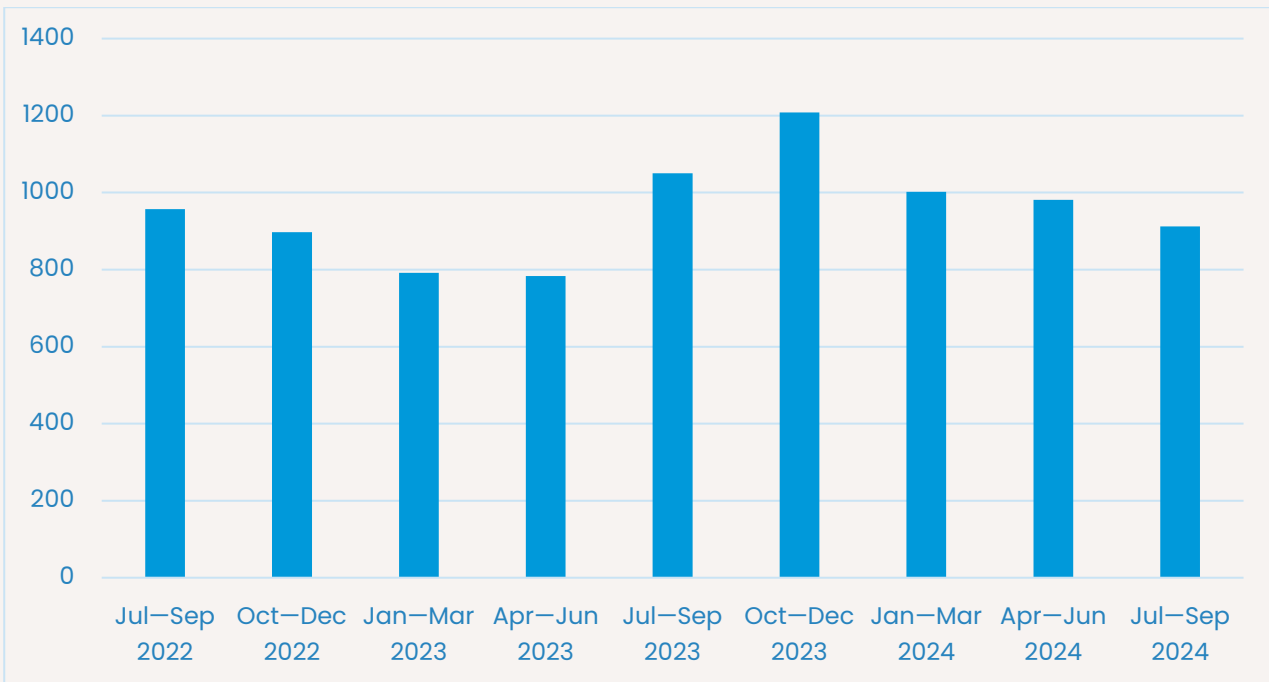


Table 1: Complaints by provider or organisation type in previous 4 quarters

| Provider or organisation type | Oct-Dec 2023 | Jan-Mar 2024 | Apr-Jun 2024 | Jul-Sep 2024 |
|--|--------------|--------------|--------------|--------------|
| Health insurers | 1097 | 898 | 867 | 800 |
| Overseas visitors and overseas student health insurers | 88 | 90 | 100 | 89 |
| Brokers and comparison services | 7 | 6 | 4 | 16 |
| Doctors, dentists, and other medical providers | 0 | 2 | 1 | 2 |
| Hospitals and area health services | 4 | 0 | 2 | 0 |
| Other (e.g., legislation, ambulance services, industry peak bodies) | 7 | 6 | 7 | 5 |
| Total | 1203 | 1002 | 981 | 912 |

Figure 2: Top complaint issues in July to September 2024, compared to previous 3 quarters

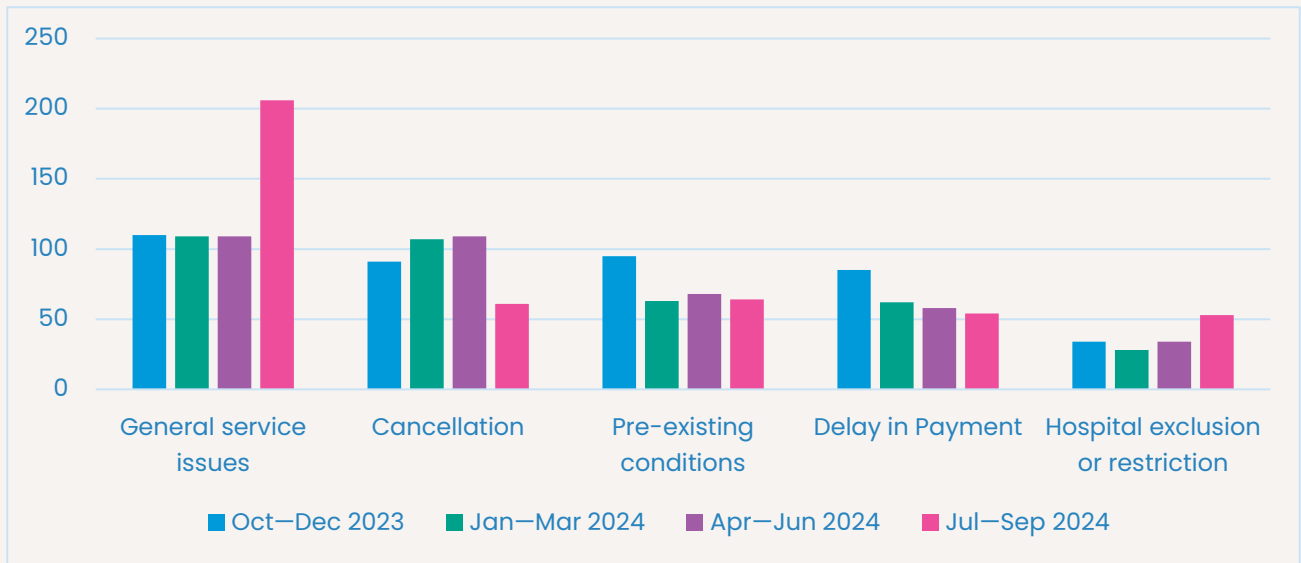


Figure 2 shows the top complaint issues in July to September 2024, compared to the previous 3 quarters. The issues which were most complained about were general service issues, cancellation of policies, and pre-existing condition waiting periods.

There is a notable increase in “general service issues” complaints this quarter. Of 206 complaints, 82 were about Bupa and 36 about Defence Health.

Bupa ran a marketing campaign in early 2024, with Everyday Rewards points awarded to new members after completing a certain period of paid membership. This resulted in an increase in complaints because consumers were experiencing delays in the allocation of points or had misunderstood the period of time required before points could be allocated.

Defence Health’s service issues have been discussed in previous quarterly updates. Following a systems transformation in mid-2023, Defence Health members have experienced numerous service issues, premium payment problems, and benefit payment problems.

Table 2 below shows complaints by insurer for the September 2024 quarter.

Defence Health’s total complaints have decreased slightly to 18.1 per cent of total insurer complaints in the September quarter as compared to 21.1 per cent in the previous quarter. Defence Health’s complaint numbers remain disproportionately high for an insurer with 2.0 per cent market share, despite being over 12 months out from the systems upgrade.

Table 2: Complaints by health insurer market share, 1 July to 30 September 2024²

| Name of insurer | No further action | Percentage of no further action | Referrals | Percentage of referrals | Investigations ³ | Percentage of investigations | Market share ⁴ |
|---|-------------------|---------------------------------|-----------|-------------------------|-----------------------------|------------------------------|---------------------------|
| ACA Health Benefits | 0 | 0.0% | 1 | 0.1% | 0 | 0.0% | 0.1% |
| AIA Health (myOwn) | 0 | 0.0% | 11 | 1.5% | 1 | 10.0% | 0.4% |
| Australian Unity | 1 | 1.5% | 19 | 2.6% | 1 | 10.0% | 2.2% |
| BUPA | 9 | 13.6% | 200 | 27.7% | 1 | 10.0% | 24.9% |
| CBHS | 3 | 4.5% | 15 | 2.1% | 0 | 0.0% | 1.5% |
| CBHS Corporate Health | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | <0.1% |
| CDH (Hunter Health Insurance) | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | <0.1% |
| Defence Health | 12 | 18.2% | 132 | 18.3% | 0 | 0.0% | 2.0% |
| Doctors' Health Fund | 1 | 1.5% | 3 | 0.4% | 0 | 0.0% | 0.5% |
| GMHBA (incl. Health.com.au) | 3 | 4.5% | 12 | 1.7% | 0 | 0.0% | 2.2% |
| HBF Health (GMF/Healthguard, CUA, QCH) ⁵ | 2 | 3.0% | 24 | 3.3% | 1 | 10.0% | 8.2% |
| HCF (incl. RT Health and Transport Health) | 17 | 25.8% | 70 | 9.7% | 0 | 0.0% | 12.5% |
| HCI (Health Care Insurance) | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0.1% |
| Health Partners | 0 | 0.0% | 4 | 0.6% | 0 | 0.0% | 0.7% |
| HIF (Health Insurance Fund of Aus.) | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0.7% |
| Latrobe Health | 1 | 1.5% | 1 | 0.1% | 0 | 0.0% | 0.7% |
| Medibank Private & AHM | 12 | 18.2% | 149 | 20.7% | 1 | 10.0% | 27.1% |
| Mildura District Hospital Fund Limited | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0.3% |
| National Health Benefits Aust. | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0.1% |
| Navy Health | 0 | 0.0% | 2 | 0.3% | 1 | 10.0% | 0.4% |
| NIB Health & GU Corporate Health | 1 | 1.5% | 58 | 8.0% | 1 | 10.0% | 9.6% |
| Peoplecare | 1 | 1.5% | 3 | 0.4% | 0 | 0.0% | 0.5% |
| Phoenix Health Fund | 2 | 3.0% | 1 | 0.1% | 0 | 0.0% | 0.2% |
| Police Health | 0 | 0.0% | 1 | 0.1% | 0 | 0.0% | 0.5% |
| Reserve Bank Health | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | <0.1% |
| St Lukes Health | 1 | 1.5% | 2 | 0.3% | 0 | 0.0% | 0.6% |
| Teachers Health | 0 | 0.0% | 11 | 1.5% | 3 | 30.0% | 2.6% |
| TUH | 0 | 0.0% | 1 | 0.1% | 0 | 0.0% | 0.6% |
| Westfund | 0 | 0.0% | 1 | 0.1% | 0 | 0.0% | 0.9% |
| Total for Health Insurers | 66 | 100.0% | 721 | 100.0% | 10 | 100.0% | |

² This table shows complaints regarding Australian registered health insurers. This table excludes complaints regarding Overseas Visitors Health Cover and Overseas Student Health Cover insurers, and other bodies.

³ Investigations required the intervention of the Ombudsman and the health insurer.

⁴ Source: Australian Prudential Regulation Authority, Market Share, All Policies, 30 June 2023.

⁵ QCH merged with HBF and all policies were transferred effective 1 July 2024.

Statement of Expectations and Statement of Commitments

The Office recently published a [Statement of Expectations](#) and a [Statement of Commitments](#). As their names suggest, these documents set out:

- the Office's expectations of all organisations we oversee and their staff, when engaging with the Office in the course of its statutory oversight functions.
- the Office's commitments to organisations when we engage with them in the course of our statutory oversight functions.

The Statements form a principles-based framework within which we expect organisations and the Office to operate when engaging with each other in the course of the Office's statutory oversight functions. This framework replaces all previous protocols.

We request that organisations actively share these Statements with staff and make them available electronically on their staff intranet or a similar information hub. It is especially important for staff who engage with the Office regularly to be familiar with these documents, and all staff should be made aware of their obligations to assist the Office if they are asked to do so.



Table 4: Complaint issues and sub-issues for July to September 2024 and previous 4 quarters

| ISSUE | Dec 23 | Mar 24 | Jun 24 | Sep 24 |
|--|--------|--------|--------|--------|
| BENEFIT | | | | |
| Accident and emergency | 4 | 4 | 6 | 3 |
| Accrued benefits | 2 | 9 | 2 | 7 |
| Ambulance | 8 | 9 | 7 | 2 |
| Amount | 26 | 22 | 28 | 22 |
| Delay in payment | 85 | 62 | 58 | 54 |
| Excess | 12 | 13 | 13 | 10 |
| Gap—Hospital | 6 | 5 | 9 | 3 |
| Gap—Medical | 13 | 42 | 36 | 17 |
| General treatment (extras/ancillary) | 44 | 49 | 54 | 42 |
| High-cost drugs | 4 | 6 | 6 | 3 |
| Hospital exclusion/restriction | 34 | 28 | 34 | 53 |
| Insurer rule | 20 | 17 | 18 | 17 |
| Limit reached | 2 | 2 | 2 | 1 |
| New baby | 3 | 9 | 1 | 5 |
| Non-health insurance | 1 | 1 | 2 | 4 |
| Non-health insurance—overseas benefits | 0 | 0 | 0 | 0 |
| Non-recognised other practitioner | 3 | 2 | 0 | 4 |
| Non-recognised podiatry | 0 | 1 | 0 | 0 |
| Other compensation | 6 | 8 | 10 | 1 |
| Out of pocket not elsewhere covered | 0 | 6 | 9 | 2 |
| Out of time | 1 | 0 | 3 | 2 |
| Preferred provider schemes | 3 | 1 | 4 | 2 |
| Prostheses | 2 | 3 | 5 | 3 |
| Workers compensation | 2 | 0 | 0 | 1 |
| CONTRACT | | | | |
| Hospitals | 2 | 2 | 1 | 1 |
| Preferred provider schemes | 1 | 1 | 0 | 3 |
| Second tier default benefit | 0 | 0 | 0 | 0 |
| COST | | | | |
| Dual charging | 6 | 9 | 7 | 2 |
| Rate increase | 6 | 30 | 31 | 4 |
| INCENTIVES | | | | |
| Lifetime Health Cover | 50 | 36 | 38 | 28 |
| Medicare Levy Surcharge | 1 | 0 | 0 | 3 |
| Private health insurance reforms | 0 | 0 | 1 | 0 |
| Rebate | 5 | 3 | 5 | 5 |
| Rebate tiers and surcharge changes | 0 | 0 | 0 | 0 |
| INFORMATION | | | | |
| Brochures and websites | 3 | 19 | 8 | 10 |
| Lack of notification | 8 | 10 | 10 | 8 |
| Radio and television | 1 | 0 | 0 | 0 |

OFFICIAL

| | | | | |
|---|-----|-----|-----|-----|
| Standard Information Statement | 3 | 1 | 2 | 2 |
| Verbal advice | 27 | 13 | 20 | 11 |
| Written advice | 2 | 3 | 4 | 5 |
| INFORMED FINANCIAL CONSENT | | | | |
| Doctors | 0 | 2 | 4 | 1 |
| Hospitals | 2 | 1 | 2 | 1 |
| Other | 0 | 1 | 0 | 0 |
| MEMBERSHIP | | | | |
| Adult dependents | 7 | 5 | 5 | 5 |
| Arrears | 16 | 14 | 23 | 15 |
| Authority over membership | 10 | 13 | 6 | 4 |
| Cancellation | 91 | 107 | 109 | 61 |
| Clearance certificates | 69 | 68 | 34 | 28 |
| Continuity | 8 | 45 | 43 | 28 |
| Rate and benefit protection | 8 | 13 | 10 | 9 |
| Suspension | 25 | 14 | 14 | 15 |
| SERVICE | | | | |
| Customer service advice | 44 | 56 | 33 | 51 |
| General service issues | 110 | 109 | 109 | 206 |
| Premium payment problems | 87 | 72 | 62 | 36 |
| Service delays | 307 | 24 | 24 | 28 |
| WAITING PERIOD | | | | |
| Benefit limitation period | 0 | 2 | 1 | 0 |
| General | 15 | 27 | 24 | 30 |
| Obstetric | 4 | 6 | 4 | 7 |
| Other | 1 | 5 | 5 | 2 |
| Pre-existing conditions | 95 | 63 | 68 | 64 |
| OTHER | | | | |
| Access | 3 | 4 | 1 | 2 |
| Acute care and type C certificates | 2 | 1 | 2 | 3 |
| Community rating | 0 | 0 | 0 | 0 |
| Complaint not elsewhere covered | 6 | 3 | 3 | 1 |
| Confidentiality and privacy | 9 | 6 | 14 | 3 |
| Demutualisation/sale of health insurers | 0 | 0 | 0 | 3 |
| Discrimination | 1 | 0 | 0 | 1 |
| Medibank sale | 0 | 0 | 0 | 0 |
| Non-English speaking background | 0 | 0 | 0 | 0 |
| Non-Medicare patient | 0 | 0 | 1 | 1 |
| Private patient election | 1 | 0 | 0 | 0 |
| Rule change | 2 | 3 | 4 | 3 |



Data

The data in this update is for the period 1 July 2024 to 30 September 2024. Some figures may differ from the Annual Report as our data is dynamic and regularly updated as new information becomes known. Previous Private Health Insurance Ombudsman updates are available on the Ombudsman's [website](#).

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