

Quarterly Update:

1 October to 31 December

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 October to December 2024 quarter.

During the October to December quarter, the Office received 726 complaints in its capacity as the Private Health Insurance Ombudsman.¹ This was a decrease of 40 per cent compared to the same period in 2023–24. The decrease reflects that there were higher than usual complaint numbers in the December 2023 quarter because of complaints relating to Defence Health.

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

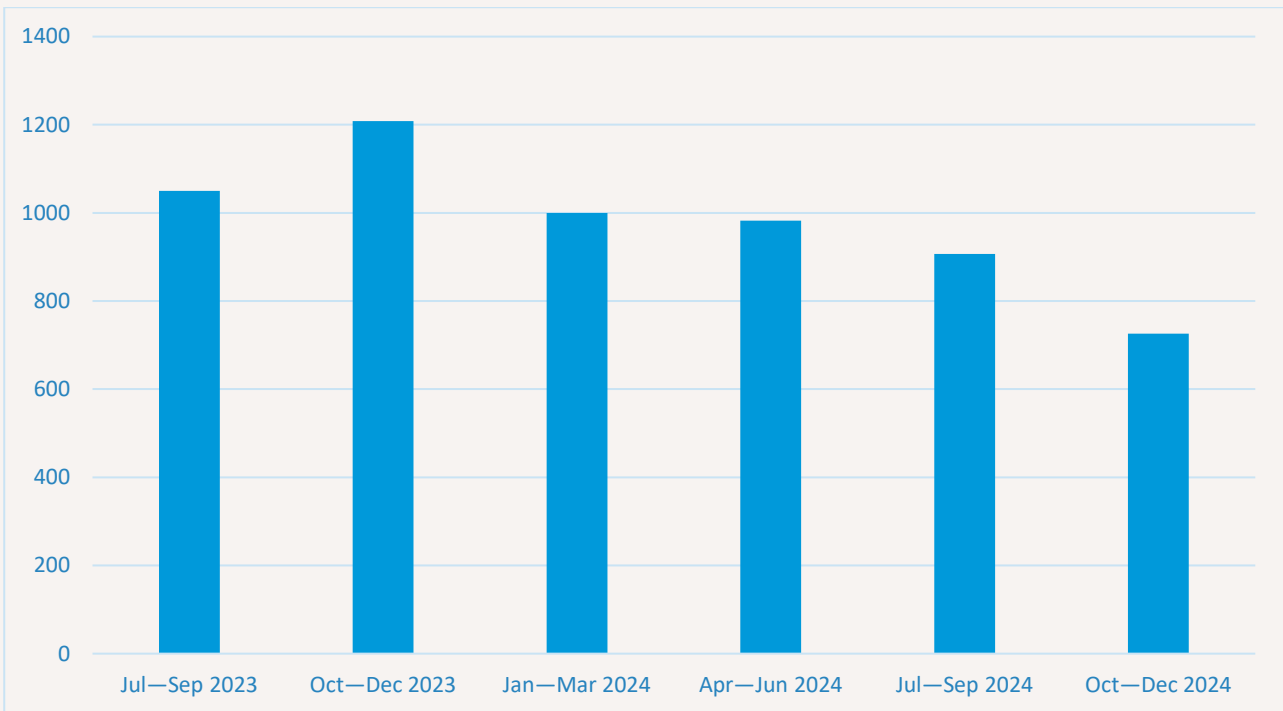


Table 1: Complaints by provider or organisation type in previous 4 quarters

Provider or organisation type	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024
Health insurers	898	867	800	645
Overseas visitors and overseas student health insurers	90	100	89	59
Brokers and comparison services	6	4	16	12
Doctors, dentists, and other medical providers	2	1	2	1
Hospitals and area health services	0	2	0	7
Other (e.g., legislation, ambulance services, industry peak bodies)	6	7	5	2
Total	1002	981	912	726

Figure 2: Top complaint issues in October to December 2024, compared to previous 3 quarters

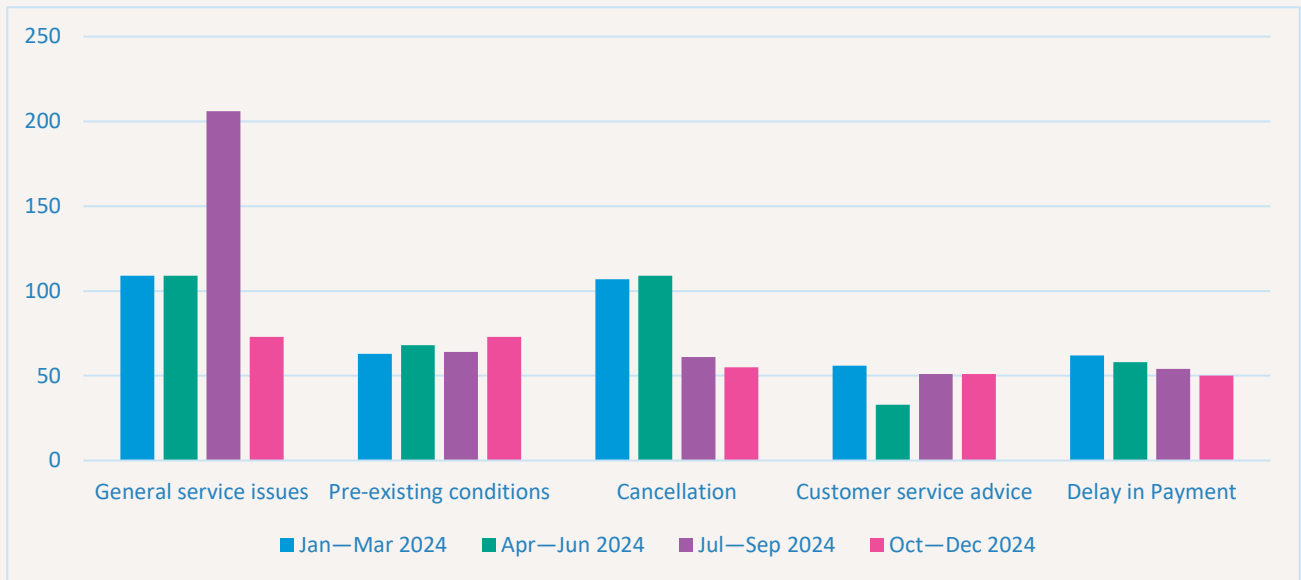


Figure 2 shows the top complaint issues in October to December 2024, compared to the previous 3 quarters.

General service issues and pre-existing conditions were the top complaint issues, followed by cancellation. Complaints about general service issues have decreased substantially this quarter. This decrease is due to a higher than usual number of service issues reported last quarter. In the July to September 2024 period, Bupa experienced an increase in service complaints following a delay in allocating points during a marketing campaign. In addition, Defence Health's service issues were higher than usual following its systems transformation in mid-2023, which has been discussed in previous quarterly updates.

Pre-existing conditions is generally one of our more common complaint issues and there has been a slight increase in these complaints, with several escalated directly to investigations early this quarter.

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

Defence Health's total complaints have decreased further this quarter to 11.8 per cent of total complaints in the December quarter, as compared to 18.1 per cent and 21.1 per cent in the September and July quarters respectively. The volume of complaints still remains higher than normal for Defence Health.



Table 2: Complaints by health insurer market share, 1 October to 31 December 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	1	1.7%	0	0.0%	0	0.0%	0.1%
AIA Health (myOwn)	1	1.7%	11	1.9%	1	7.1%	0.4%
Australian Unity	3	5.1%	14	2.4%	0	0.0%	2.2%
BUPA	18	30.5%	108	18.9%	3	21.4%	24.9%
CBHS	0	0.0%	13	2.3%	1	7.1%	1.5%
CBHS Corporate Health	0	0.0%	2	0.3%	0	0.0%	<0.1%
CDH (Hunter Health Insurance)	0	0.0%	0	0.0%	0	0.0%	<0.1%
Defence Health	2	3.4%	74	12.9%	0	0.0%	2.0%
Doctors' Health Fund	1	1.7%	2	0.3%	0	0.0%	0.5%
GMHBA (incl. Health.com.au)	1	1.7%	9	1.6%	0	0.0%	2.2%
HBF Health (GMF/Healthguard, CUA, QCH) ⁵	1	1.7%	35	6.1%	0	0.0%	8.2%
HCF (incl. RT Health and Transport Health)	11	18.6%	59	10.3%	7	50.0%	12.5%
HCI (Health Care Insurance)	0	0.0%	2	0.3%	0	0.0%	0.1%
Health Partners	0	0.0%	1	0.2%	1	7.1%	0.7%
HIF (Health Insurance Fund of Aus.)	0	0.0%	4	0.7%	0	0.0%	0.7%
Latrobe Health	0	0.0%	0	0.0%	0	0.0%	0.7%
Medibank Private & AHM	14	23.7%	133	23.3%	0	0.0%	27.1%
Mildura District Hospital Fund Limited	0	0.0%	1	0.2%	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%	0	0.0%	0.4%
NIB Health & GU Corporate Health	3	5.1%	77	13.5%	0	0.0%	9.6%
Peoplecare	0	0.0%	4	0.7%	0	0.0%	0.5%
Phoenix Health Fund	0	0.0%	0	0.0%	0	0.0%	0.2%
Police Health	1	1.7%	3	0.5%	0	0.0%	0.5%
Reserve Bank Health	0	0.0%	0	0.0%	0	0.0%	<0.1%
St Lukes Health	0	0.0%	1	0.2%	0	0.0%	0.6%
Teachers Health	1	1.7%	14	2.4%	1	7.1%	2.6%
TUH	0	0.0%	0	0.0%	0	0.0%	0.6%
Westfund	1	1.7%	3	0.5%	0	0.0%	0.9%
Total for Health Insurers	59	100.0%	572	100.0%	14	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.

Hospital agreement dispute between Healthscope, Bupa and AHSA

In November 2024, major hospital network Healthscope publicly announced it was terminating hospital agreements with both Bupa and Australian Health Service Alliance (AHSA) insurers. The Bupa termination was taking effect from midnight 20 February 2025 and the AHSA termination from midnight 3 March 2025.

The Office has a role in protecting the interests of people who are covered by private health insurance, which may include arranging mediation between private health insurers and health care providers if there is an unresolved dispute. The Office worked with the parties to encourage resolution. Both disputes were resolved outside of the quarterly reporting period.

Healthscope and Bupa made public statements in late January 2025 confirming they had reached an in-principle agreement ensuring Bupa members remain covered at Healthscope hospitals. The Office's public statement on Bupa and Healthscope's agreement is available [here](#).

In relation to Healthscope and AHSA, the Office arranged for mediation between Healthscope and AHSA to take place on 18 February 2025. The Office's public statement on arranging mediation is available [here](#).

After further discussions following the mediation, AHSA and Healthscope confirmed that on 3 March 2025, they reached an in-principle agreement which similarly ensures AHSA members remain covered at Healthscope hospitals.

Consumers expecting a hospital admission should contact their insurer and Healthscope for further information about their benefits and any out-of-pocket costs.

The Office has a factsheet which provides general advice for consumers about hospital agreements and how this interacts with private health insurance, which is available [here](#).



Table 3: Complaint issues and sub-issues for October to December 2024 and previous 3 quarters

ISSUE	Mar 24	Jun 24	Sep 24	Dec 24
BENEFIT				
Accident and emergency	4	6	3	8
Accrued benefits	9	2	7	2
Ambulance	9	7	2	3
Amount	22	28	22	25
Delay in payment	62	58	54	50
Excess	13	13	10	10
Gap—Hospital	5	9	3	6
Gap—Medical	42	36	17	20
General treatment (extras/ancillary)	49	54	42	41
High-cost drugs	6	6	3	2
Hospital exclusion/restriction	28	34	53	30
Insurer rule	17	18	17	16
Limit reached	2	2	1	2
New baby	9	1	5	2
Non-health insurance	1	2	4	1
Non-health insurance—overseas benefits	0	0	0	0
Non-recognised other practitioner	2	0	4	1
Non-recognised podiatry	1	0	0	0
Other compensation	8	10	1	1
Out of pocket not elsewhere covered	6	9	2	3
Out of time	0	3	2	1
Preferred provider schemes	1	4	2	2
Prostheses	3	5	3	1
Workers compensation	0	0	1	0
CONTRACT				
Hospitals	2	1	1	7
Preferred provider schemes	1	0	3	1
Second tier default benefit	0	0	0	0
COST				
Dual charging	9	7	2	5
Rate increase	30	31	4	4
INCENTIVES				
Lifetime Health Cover	36	38	28	25
Medicare Levy Surcharge	0	0	3	0
Private health insurance reforms	0	1	0	0
Rebate	3	5	5	3
Rebate tiers and surcharge changes	0	0	0	1
INFORMATION				
Brochures and websites	19	8	10	5
Lack of notification	10	10	8	13

OFFICIAL

Radio and television	0	0	0	0
Standard Information Statement	1	2	2	1
Verbal advice	13	20	11	13
Written advice	3	4	5	2
INFORMED FINANCIAL CONSENT				
Doctors	2	4	1	2
Hospitals	1	2	1	4
Other	1	0	0	2
MEMBERSHIP				
Adult dependents	5	5	5	6
Arrears	14	23	15	8
Authority over membership	13	6	4	4
Cancellation	107	109	61	55
Clearance certificates	68	34	28	23
Continuity	45	43	28	13
Rate and benefit protection	13	10	9	2
Suspension	14	14	15	10
SERVICE				
Customer service advice	56	33	51	51
General service issues	109	109	206	73
Premium payment problems	72	62	36	36
Service delays	24	24	28	27
WAITING PERIOD				
Benefit limitation period	2	1	0	0
General	27	24	30	19
Obstetric	6	4	7	1
Other	5	5	2	7
Pre-existing conditions	63	68	64	73
OTHER				
Access	4	1	2	3
Acute care and type C certificates	1	2	3	0
Community rating	0	0	0	0
Complaint not elsewhere covered	3	3	1	1
Confidentiality and privacy	6	14	3	4
Demutualisation/sale of health insurers	0	0	3	0
Discrimination	0	0	1	0
Medibank sale	0	0	0	0
Non-English speaking background	0	0	0	0
Non-Medicare patient	0	1	1	0
Private patient election	0	0	0	1
Rule change	3	4	3	3



Data

The data in this update is for the period 1 October 2024 to 31 December 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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