

Unit 32, Level 1, 2 King St, Deakin ACT 2600 T (+61) 2 6202 1000 F (+61) 2 6202 1001 www.privatehealthcareaustralia.org.au ABN: 35 008 621 994

11 October 2019

Data Legislation Section Department of Health via email HC.Consultation@health.gov.au

HEALTH LEGISLATION AMENDMENT (DATA-MATCHING) BILL 2019: EXPOSURE DRAFT

Thank you for the opportunity to comment on the exposure draft of the *Health Legislation Amendment (Data-matching) Bill 2019.*

We recommend minor changes to the Bill to allow for the Chief Executive Medicare to provide advice to a private health insurer who has disclosed information under the proposed legislation (s.132D) on the outcomes of that disclosure.

Feedback from the Chief Executive Medicare would encourage more disclosures and allow private health insurers to take complementary action to recover members' funds in the event of fraud or error on behalf of providers.

Under the proposed amendments, where a private health insurer informs the Chief Executive Medicare of an issue, and the Chief Executive Medicare finds that the issue resulted in an incorrect payment of Medicare Benefits to a provider, the insurer has no way of knowing that they have also made an incorrect payment to the same provider.

The result is that the provider who has been found to have been wrongly paid Medicare Benefits (part of the payment they have received) gets to keep some, or in many cases, most of the money they have wrongly claimed (the private health insurance component, including hospital benefits). This fails the tests of natural justice and of common sense. Further, it will increase upwards pressure on premiums for Australian families.

Private Healthcare Australia recommends an additional clause be added to the proposed section 132D to allow the Chief Executive Medicare to provide advice on the results a disclosure made under proposed section 132D(1) to the insurer making that disclosure.

If you have any queries, please do not hesitate to contact me by email <u>ben.harris@pha.org.au</u> or telephone 0418 110 863.

Yours sincerely

VIA EMAIL

Ben Harris Director Policy and Reseach