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Tuesday 6th October 2020

BUDGET: YOUNG PEOPLE WINNERS IN HEALTH INSURANCE ANNOUNCEMENT THAT RECOGNISES 30 IS THE NEW 20

Catholic Health Australia welcomes the Morrison Government's announcement in the Budget tonight that changes to private health insurance rules will allow young people to remain on their parents' plan for longer.

In a May submission to the Commonwealth Government CHA called for changes that will allow young Australians to stay on their parents' plans for longer to mitigate the current health insurance crisis.

Tonight the Morrison Government changed the rules to allow family cover to be used beyond the current age cut-off of 25 by extending it to 31.

The rule changes will also allow people with disability to remain on their family policy – a move that CHA welcomed as an important policy that was inclusive and recognised a particular set of needs for some families.

CHA Health Policy Director James Kemp applauded the moves which will improve access to private healthcare and help stem the tide of younger Australians abandoning private health insurance.

“Our system should recognise that young people are living at home longer, getting married later, and starting families well into their 30s. This is a very welcome and sensible policy that will help address the drift of young people away from private health insurance and, more importantly, access to private health care.

“We need a strong and sustainable private health industry and the Government recognises that and has listened to voices such as our own.

“We want younger people to make the decision to purchase private health insurance at a time when they can afford it, and also at an age when they are more likely to think about why they need it - like when they are thinking of starting families of their own, when access to maternity care is top of mind, when choice of clinician is more important and when having a private room for your partner is something worth securing.



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“For too many younger Australians in their mid-20s, the need for health insurance is just not top of mind. We need to recognise that and develop policies that better reflect the modern setting,” Mr Kemp said.

Note to editors: Catholic Health Australia (CHA) is Australia’s largest non-government grouping of health and aged care services accounting for approximately 10 percent of hospital-based healthcare in Australia. Our members also provide around 25 percent of private hospital care, 5 percent of public hospital care, 12 percent of aged care facilities, and 20 percent of home care and support for the elderly.