



## **Government must require insurers to offer hospital-in-the-home care**

**12 April 2024**

The federal government must ensure patients can access hospital-in-the-home care by requiring private health insurers to cover it, according to Catholic Health Australia.

In its pre-budget submission, the peak body representing more than 80 public and not-for-profit hospitals said a default benefit - the minimum insurers must pay for a treatment - should apply to hospital-in-the-home care.

“Treatments like chemotherapy, dialysis, wound care, palliative care and post-surgical rehab can be conducted safely at home with better outcomes - but millions of patients are missing out,” said Catholic Health Australia CEO Jason Kara.

“Care at home can lead to lower readmission rates, shorter stays and increased patient satisfaction, as well as reduce pressure on the straining hospital system - but private hospitals are unable to provide it without funding agreements.”

By 2025, the UK will be treating 20 per cent of its patients at home and the US 13 per cent while Australia languishes on five per cent.

“To stop Australia falling further behind international peers, and ensure patients receive the care they want, the government must apply a default benefit to hospital-in-the-home care,” said Mr Kara.

CHA-commissioned modelling found a default benefit of \$330 per day of treatment would incentivise investment and contracting to cover a range of conditions across CHA’s not-for-profit member hospitals.

CHA also wants the government to reform the way insurers increase premiums each year so that funds which provide lower returns to members only qualify for limited increases.

“Insurers are failing to meet the widely recognised gold standard of returning 90 per cent of premiums to their members, while spending big on salaries, bonuses, advertising and sponsorships,” said Mr Kara.

“Linking premium increases with member benefits is a sensible step to make sure highly profitable health funds have their members’ interests front and centre.”

CHA’s submission also urges the government to:



- Ease workforce shortages by establishing Health Workforce Australia, providing rental assistance to nurses and creating a health and care worker passport
- Improve mental health care by removing insurance waiting periods, extending default benefits, and increasing medicare rebates
- Provide funding to allow medicare ineligible patients to access primary health networks and urgent care clinics to prevent avoidable hospitalisations
- Commence reform of the private health sector towards an activity based funding model

*Catholic Health Australia is Australia's largest non-government grouping of health and aged care services, accounting for approximately 15 per cent of hospital-based healthcare in Australia. Our members also provide around 25 percent of private hospital care, five per cent of public hospital care, 12 per cent of aged care facilities, and 20 per cent of home care and support for the elderly.*