**Pensioner protection improves rebate bill but concerns remain**

25 November 2026

Protecting pensioners from the removal of the aged-based private health insurance rebate improves the bill but significant concerns remain, said Catholic Health Australia (CHA).

“Protecting pensioners will soften the impact of a bad bill which had the potential to further impact those who are least able to absorb these extra costs,” said Catholic Health Australia CEO Tim Udorovic.

“Even under the amended bill which protects pensioners, many retirees will still drop or downgrade their cover.

“We thank the Government for acknowledging some of our concerns and responding by recognising the needs of the vulnerable, which drives our mission in Catholic health and aged care.”

CHA’s Director of Health Policy Sophie Balch said regional communities such as NSW’s Northern Rivers will be hit hardest by the rebate changes.

“CHA had warned the previous approach would shift about $675 million a year onto public hospitals, but the viability of some regional private hospitals remains at risk,” Ms Balch said.

“St Vincent’s Private Hospital Lismore is the only inpatient private hospital serving around 310,000 people, and patients aged over 65 account for 73 per cent of its admissions and 79 per cent of its bed days.

“The government must closely monitor for unintended impacts of this policy, including viability threats to regional hospitals.

“It must also swiftly implement other private health reforms to shore up the viability of private hospitals which play a vital role in keeping pressure off the public health system.”

Government modelling of its initial bill predicted 44,313 people would drop their cover entirely, but did not estimate how many would downgrade. CHA analysis estimated a further 165,000 would downgrade to cheaper, more limited policies, bringing the total to over 210,000 affected over-65s.

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***About Catholic Health Australia:*** *Catholic Health Australia (CHA) is Australia’s largest not-for-profit group of health, community and aged care providers. Our members operate 88 hospitals in every state and the Australian Capital Territory, accounting for around 13 per cent of hospital-based healthcare in Australia. This includes about 30 per cent of private hospital beds and about 5 per cent of public hospital care through member hospitals St Vincent’s, Calvary, Mater, St John of God, Cabrini and Mercy. CHA members also operate approximately 12 per cent of Australia’s residential aged care facilities and deliver around 20 per cent of in-home aged care, alongside community services. Twenty-five per cent of our members provide services in regional, rural and remote parts of the country. As not-for-profit providers, CHA members are a*

*dedicated voice for the disadvantaged, advocating for an equitable, compassionate and secure health system that leaves no one behind.*