



Sharon Grierson MP
Federal Member for Newcastle

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HOWARD TO THE HEALTH FUNDS: ASK AND YOU SHALL RECEIVE

The Howard Government today ripped another \$156 a year from the pockets of Newcastle families with its decision to lift private health insurance premiums by an average of 5.68 percent, Federal Member for Newcastle Sharon Grierson said.

The 5.68 percent average increase was granted after the health funds applied for increases of between five and seven percent.

"This is the fifth year in a row that the Government has granted the premium increases sought by the funds," Ms Grierson said.

"With this Government, it is a case of ask and you shall receive."

"Health fund members will now be awaiting notification from their fund as to their individual increase."

"NIB is one of the biggest insurers of Novocastrians, and after hikes of up to 17 percent last year and 9.1 percent in 2004, I would hope their increases are more restrained this year."

"On the back of those very high increases, NIB announced a profit of \$29.6 million in 2004-05, up from \$3.3 million the year before."

"The latest Private Health Insurance Ombudsman report also suggests that in 2004 NIB had the highest ratio of management expenses (13.1%) of any of the six biggest health insurers."

"Surely, between the health funds' profits and the Government's surplus they could have found some relief for struggling families."

"That they haven't shows just how out of touch the Howard Government has become with the cost of living for Australian families."

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