



# Australian Health Care Reform Alliance

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## **MEDIA RELEASE**

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### **BETTER WAYS TO SPEND THE \$7 BILLION PRIVATE HEALTH INSURANCE REBATE – PREVENTIVE AND POPULATION HEALTH**

The Australian Healthcare Reform Alliance today called on the Government to re-direct funding from the inefficient and inequitable private health insurance (PHI) rebate to strengthen preventive and population health efforts in the Australian health system.

AHCRA is a coalition of peak health organisations working together to create a better and fairer health system for Australia's future.

“Preventive health is the most cost-effective use of our health dollars. Given the ageing of our population and the increasing rates of chronic disease, it is important that we invest in the future health and well-being of our community through evidence-based and targeted preventive health programs,” AHCRA Chair Jennifer Doggett said today.

“Investing in prevention and public health keeps people well and out of hospital, improving productivity and reducing pressure on the health system.

“Australia has a proud and world-leading record of successful preventive health campaigns, such as tobacco reduction and road accident reduction strategies, which have very significantly reduced harmful behaviours, illness and death rates, and the massive health care costs associated with them.

“However, there are many gaps in Australia's current preventive health efforts, including in relation to obesity, injury prevention, mental health and domestic violence. Increased efforts in these key areas can help Australians maximise their health and well-being and reduce unnecessary and inefficient health spending.

“To achieve this, AHCRA supports increasing the level of Federal funding for prevention from 1.5% to 5% of the health budget. This would increase health spending in this area by around \$5 billion per year – less than the amount currently allocated to the PHI rebate.

“One important use for this funding would be to improve nutrition across our population. Optimum nutrition is fundamental to good health at all stages of life. It is essential for normal growth and development, resistance to infection and protection against chronic disease, obesity and premature death.

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“However, the available evidence indicates that the diets of most Australians do not nearly meet the recommendations made in the Australian Dietary Guidelines. For example, less than 4% of Australians meet the recommended usual daily intake of vegetables. Australia also has one of the highest rates of obesity in the world with over 50% of adults classified as overweight or obese.

“AHCRA supports immediate, evidence-based and comprehensive national action to address the health, social and economic costs of increasing rates of obesity and other diet related chronic diseases. This should be based on a social determinants of health perspective and address the wide range of economic, cultural, geographical and social barriers to a healthy diet.

“This would do far more to improve the future health of our community than ongoing subsidies for the private health insurance industry,” Ms Doggett said.

**For further information and/or comment:** Jennifer Doggett, AHCRA Chair, 0403 325 980

*This proposal forms part of AHCRA’s ‘7 better ways to spend \$7 billion’ campaign. The aim of this campaign is to highlight the benefits of redirecting funding from the private health insurance rebate to areas of greater need in the health system. #7billionhealthbucks. [www.healthreform.org.au](http://www.healthreform.org.au)*