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**HEALTH INSURERS SHIFTING THE BLAME FOR HIGHER
PREMIUMS ... YET AGAIN**

AMA President, Dr Andrew Pesce, said today that an attack on doctors by the Australian Health Insurance Association (AHIA) indicates that health insurers must be planning another round of premium increases.

The AHIA is reported in the *Herald Sun* newspaper as saying ‘... *the insurance industry called for an urgent crackdown on second-rate surgeons and dodgy medical devices to cut rising medical costs ...*’ and that ‘... *the only way to control rampant health inflation was to stop paying for poor outcomes ...*’.

Dr Pesce said the health insurers have no right or expertise to make such ill-informed comments about highly skilled medical professionals.

“The health insurers are playing their annual game of blaming doctors for the hikes in their premiums,” Dr Pesce said.

“This is gross hypocrisy on the day that the Australian Institute of Health and Welfare (AIHW) reveals that the funds spend more on their own administration than they do on medical services.

“During 2007-2008, the private health insurance funds spent 11.2 per cent (\$0.9 billion) of their recurrent health expenditure on administration compared with 10.3 per cent (\$0.8 billion) on medical services.

“The AHIA has kicked an own goal.

“Australians receive the highest quality medical care in the world from the most highly-skilled medical workforce.

“A poor medical outcome can occur for many reasons, even with the most skilful medical care, but the AHIA’s misguided criticism will not do anything to improve quality and safety.

“Patients can be confident they are getting the best possible care from their doctors, but they are less confident that they are getting the best value for money from their health insurers.

“The only thing ‘second-rate’ is the AHIA’s failure to provide evidence for its shameless attack on surgeons, and the only thing ‘dodgy’ is its attempt to shift the blame for premium increases away from the funds,” Dr Pesce said.

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