



**Senator Mathias Cormann
Acting Shadow Minister for Health and Ageing**

MEDIA RELEASE

ROXON RESPONSIBLE FOR HIGHER PREMIUM INCREASES

The Health Minister's feigned indignation at the prospect of higher health insurance premium increases is offensive to the ten million Australians with private health insurance Acting Shadow Health Minister Mathias Cormann said.

"Nicola Roxon and Kevin Rudd are directly responsible for the additional increases in health insurance premiums," Senator Cormann said

"They knew all along what the changes to the Medicare Levy Surcharge would mean in terms of pushing up health insurance premiums," he said.

"They pursued those changes at a time when the health insurance industry was already facing significantly reduced investment returns as a result of the then emerging global financial crisis.

"Hardest hit will be the one million Australians earning less than \$50,000 per annum and taking out private health insurance.

"They are faced with increased premiums without benefiting from any related tax cut.

"Many will be forced to make the tough decision whether to keep private health insurance or take their chances by joining public hospital waiting lists.

"The really scary thing is that this first round of higher premium increases will only be the start of a new trend.

"With premiums going up faster, the younger and healthier are more likely to leave private health, putting more and more upward pressure on premiums.

"If the Rudd Government continues with its ideologically driven attack on private health we'll soon see the same downward spiral in private health membership as we experienced under the Hawke and Keating Governments.

"We need a more balanced and less ideologically driven approach to health policy moving forward.

"Those who cannot learn from history are doomed to repeat it," Senator Cormann said.

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