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## Rebate is 'poor policy

The private health insurance rebate should be scrapped or reassessed, critics said yesterday. Treasury reportedly advised the Rudd Government the 30 per cent rebate was "very poor policy" and should be scrapped in the aftermath of the last federal election. And the \$3.5 billion spent on the rebate could be diverted to improve public hospitals. The Government vowed yesterday the rebate would remain. But Opposition parliamentary secretary for health administration Mathias Cormann said the Government was waging an ideological crusade against private health. "Whatever the Prime Minister [Kevin Rudd] told us before the last election, undermining the viability of private health is part of Labor's DNA," Senator Cormann said. "For pure political purposes the Government was determined to cover up its true agenda but the truth has now been revealed." Greens health spokeswoman Rachel Siewert backed the Treasury advice. "The private health insurance rebate takes money away from public hospitals and puts it straight in the deep pockets of the private health insurance industry," Senator Siewert said. The Australian Healthcare and Hospitals Association, a peak body representing public hospital, health and aged-care services, believed the rebate should be re-evaluated. "With our ageing population and an already stressed health system, we cannot afford to waste valuable health funding," association executive director Prue Power said yesterday.