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MEDIA RELEASE – FOR IMMEDIATE USE

Private elective surgery contribution needs recognition: HFANZ

The Government could do better with the growing elective surgery need if it recognised the valuable contribution of the private sector, says the Health Funds Association of New Zealand (HFANZ).

Executive director Roger Styles said today the Budget's \$35 million boost was a useful contribution to help offset demographic and inflationary pressures, with the health insurance industry observing similar cost increases.

"Insurers have seen claims paid grow by 8.2 percent or \$48 million in the past year to \$631 million, mainly for elective surgery," he said.

Mr Styles estimated that if this year's growth rate was carried forward, the total claims paid for the next four years would hit the \$3 billion mark.

"The private sector already funds the majority of elective surgery in New Zealand – around 60 percent. The reality is that elective surgical need is going to nearly double over the next 20 years, on the back of an ageing population.

"It is vital that policymakers understand this and look towards making the best use of both public and private systems," Mr Styles said.

ENDS.

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