

Changes to Benefits Policy

1. PREFACE

To ensure prudent administration, risk management and governance, Emergency Services Health maintains a register of approved policies. These policies are reviewed regularly, but not later than the review date specified in this policy.

2. DEFINITIONS

Contributor means the person registered as the Contributor for a health insurance policy, and who is responsible for payment of premiums of the policy.

3. INTRODUCTION

Written in plain language, this policy outlines the principles Emergency Services Health will follow when there is a detrimental change to benefits. While these principles will be adhered to in the majority of cases, Emergency Services Health reserves the flexibility to deal with special or unusual circumstances on a case by case basis. For example, this policy may not apply to changes imposed outside the control of Emergency Services Health.

Detrimental changes to benefits are classified into the following categories:

1. Significant detrimental changes to hospital policy benefits.
2. Other detrimental (non significant) changes to hospital policy benefits.
3. Significant detrimental changes to ancillary policy benefits.
4. Other detrimental (non significant) changes to ancillary policy benefits.

While not constituting a change to hospital treatment benefits for the purpose of this policy, changes to hospital contracting arrangements between Emergency Services Health and a hospital can affect an insured person. Requirements for notification of such changes and transition arrangements are included in the relevant agreements and codes relating to conduct between health funds and hospitals.

4. POLICY

Emergency Services Health is committed to improving the quality of its products, services and processes to maximise Contributor satisfaction and keep complaints to a minimum. Consistent with this commitment, if Emergency Services Health proposes a change to the Fund Rules that is or might be detrimental to the interests of an insured person covered by a health insurance policy, Emergency Services Health will within a reasonable time before the proposed change takes effect, inform the Contributor of the health insurance policy of the changes. Emergency Services Health will apply the procedures outlined below.

4.1 SIGNIFICANT DETRIMENTAL CHANGES TO HOSPITAL TREATMENT BENEFITS

A significant detrimental change to hospital treatment benefits includes:

- (a) removal of material benefits or applying a restriction to benefits (down to default level) for any identified condition;
- (b) addition of material excesses/co-payments; and
- (c) increases in excesses/co-payments greater than 50%.

Where there is a significant detrimental change to hospital treatment benefits, Emergency Services Health will:

- (a) provide the affected Contributor with at least 60 days notice;
- (b) not apply the changes to pre-booked admissions; and
- (c) put in place transitional measures for patients in a course of treatment for a reasonable time period and, depending upon the nature of the episode of care, this time period could, for example, be up to six months.

4.2 OTHER DETRIMENTAL (NON SIGNIFICANT) CHANGES TO HOSPITAL TREATMENT BENEFITS

For detrimental changes to hospital treatment benefits other than significant detrimental changes, Emergency Services Health will

- (a) provide the affected Contributor with at least 30 days notice;
- (b) not apply the changes to pre-booked admissions; and
- (c) put in place transitional measures for patients in a course of treatment for a reasonable time period and, depending upon the nature of the episode of care, this time period could, for example, be up to three months.

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4.3 SIGNIFICANT DETRIMENTAL CHANGES TO GENERAL (ANCILLARY OR EXTRAS) TREATMENT BENEFITS

A significant detrimental change to general (ancillary or extras) treatment benefits includes:

- (a) introduction of a new limit or sub-limit; and
- (b) a greater than 50% reduction in any limit.

For significant detrimental changes to general (ancillary or extras) treatment benefits, Emergency Services Health will:

- (a) provide the affected Contributor with at least 30 days notice; and
- (b) transitional measures shall be put in place for rollover type benefits accumulated in a previous year.

4.4 OTHER DETRIMENTAL (NON SIGNIFICANT) CHANGES TO GENERAL (ANCILLARY OR EXTRAS) TREATMENT BENEFITS

For other detrimental changes to general (ancillary or extras) treatment benefits Emergency Services Health undertakes to provide affected Contributors with appropriate notification depending upon the nature and severity of the detrimental change.

5. POLICY ADMINISTRATION

Date Policy Approved: 1 September 2016
Policy Review Date: 30 September 2019