Media Release - Australian Society of Ophthalmologists

## THE EAGLE HAS LANDED – SEND THE EAGLE HOME!

IT'S time to open everyone's eyes to the danger of US-style managed health care in Australia

Australian Society of Ophthalmologists vice president Dr Peter Sumich announced the ASO would launch an awareness campaign to alert Australians to the dangers of US-style managed health care and the potential adverse consequences for insured patients.

"NIB health insurance has entered a joint venture with US managed care organisation Cigna Healthcorp, a US market giant in Managed Care with revenues of \$180billion. Cigna didn't come to Australia just to see the Harbour bridge." Dr Sumich said.

An ACCC draft recommendation allows for 40 per cent of the Australian marketplace to be consumed by this joint venture, which will force other insurers to respond. Insurers can minimise payouts by organising discount health packages through bundling the doctor, hospital and treatment plan which they contract together based on minimal costs. Managed care is very profitable for health insurers but can be disastrous for patients as experience in the US shows.

Dr Sumich said, "Health insurers want the doctor controlled by a contract so cost savings can be made on hospital admissions, cheaper treatments and cheaper prosthetic implants. Under US managed care, the patient must accept whatever treatment the insurer contracts for them. The insurer calls the shots".

"Critics might suggest protesting doctors are just protecting their incomes, but ironically doctors can be paid *more* to take these contracts as long as they adhere to the insurer's contract requirements".

"The ASO and other medical bodies will attempt to persuade the Federal Government to protect privately insured patients by strengthening the Health Act and introducing antimanaged care legislation," he said.

"Other countries have already successfully introduced such legislation as a deterrent to managed care."

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