



Private Healthcare Australia

Better Cover. Better Access. Better Care.



Response to ACCC consultation regarding the Australian Dental Association Inc request for interim authorisation following expiration of AA1000638

May 2024

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About Private Healthcare Australia

Private Healthcare Australia (PHA) is the Australian private health insurance industry's peak representative body. We have 21 registered health funds throughout Australia as members and collectively represent 98% of people covered by private health insurance. PHA member funds provide healthcare benefits for over 14.4 million Australians.

Response

PHA has no objection to the Australian Dental Association's request for interim authorisation following the expiration of AA1000638. Nor does PHA object to the Australian Dental Association's application for revocation of authorisation AA1000638 and substitution of a new authorisation AA1000669.

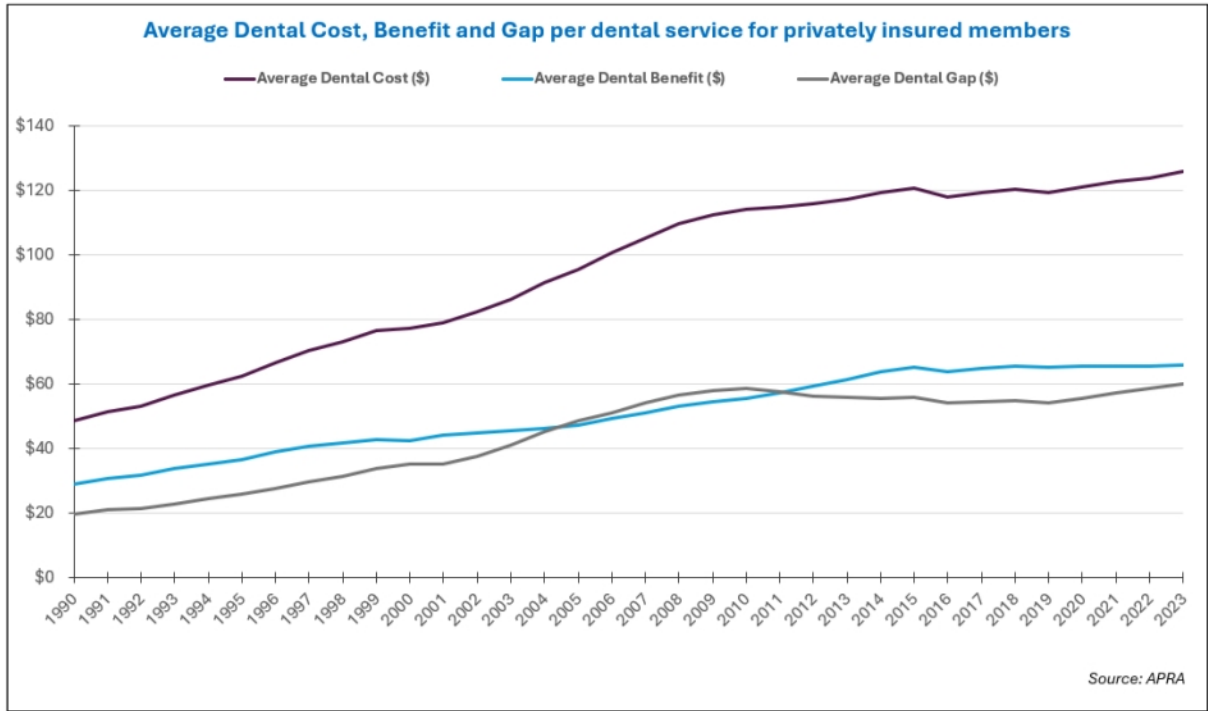
However, PHA recommends that if the ACCC does grant authorisation to the latter, the ACCC impose a condition on authorisation that all dental clinics covered by this authorisation use price displays for common services. This will promote choice, competition and informed financial consent.

Price displays should be posted on windows or other prominent areas of the clinic and on websites, so consumers can make informed decisions about whether to book an appointment. Price displays should include clear, accurate fees for the most common dental services including a periodic check-up, a comprehensive examination, removal of calculus (plaque), an X-ray, and application of remineralising agent to teeth.¹

14.4 million Australians have extras cover with dental – 55 per cent of the Australian population. Data from the Australian Prudential Regulation Authority shows that after a period of stability, out-of-pocket costs for dental services charged to people with health insurance have surged over the past four years.

Nationally, insured Australians spent \$3.06 billion out-of-pocket on dental-related expenses in 2023 or about \$419 per policyholder. This is up 18% from \$355 per policy holder in 2019 (a 4.5% average increase per annum since 2019). The average dental gap per service has increased 11% over the past four years - up from \$54.09 at the end of 2019 to \$60 at the end of 2023. See graph below.

This trend could cause Australians to forego dental treatment. The [Australian Bureau of Statistics Patient Experiences report](#) shows that in 2022-23, 2.3 million Australians skipped or delayed necessary dental care because of cost – 17.6% of people, up from 16.4% the year before.



ⁱ These services are given the following titles and codes in the Australian Dental Association schedule of services:

1. 022 – Intraoral periapical or bitewing radiograph per exposure
2. 114 – Removal of Calculus First Visit
3. 121 – Topical application of remineralising and or cariostatic agent
4. 012 – Periodic oral examination
5. 011 – Comprehensive oral examination