



Private Health Insurance Intermediaries Association Inc

Submission to Better Business Reforms options paper

Dec 18 2019

PHIIA is an industry association which represents comparison services and corporate brokers which help consumers make better decisions around their private health insurance.

Our members range from large comparators such as iSelect and Compare the Market, which deal in other products such as energy, to mid-range and smaller operations.

In this brief submission we refer only to private health insurance and the paper's questions around the disclosure of commissions and referral fees.

The [PHIIA code of conduct](#) has disclosure provisions which see members audited on compliance annually. It requires them to clearly state the existence of commission arrangements as required by the NSW regulation.

The comparators' websites give explanations usually under a How We Make Money heading. Call centre staff also disclose to callers the existence of such schemes.

In short PHIIA members are already required to take reasonable steps to make consumers aware comparators

are paid commissions by health funds for any business they refer.

In terms of the timelines Jan 1 2020 is acceptable and achievable. If regulation is introduced at least six months should be allowed between the making of regulations and their commencement.

Also January 1 is always a challenging date for new regulations to commence, given that most organisations retain only skeleton staff.

We would recommend that the date be pushed out by perhaps two weeks when most organisations will have staffing levels at near normal levels to be able to make or oversee relevant changes to their systems and manage associated risks.

If you have any other questions we will of course be available.

Christopher Zinn CEO PHIA