

Health costs outpace inflation

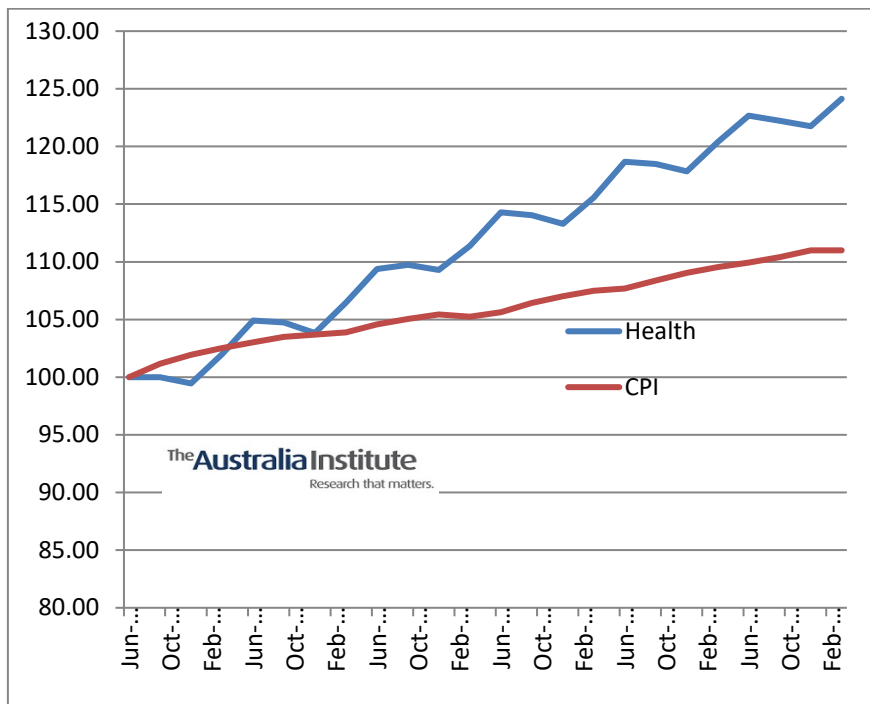
Briefing note

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According to a report on the ABC’s 7.30 program (24 April) out-of-pocket health costs are a major issue in the present election campaign. Figure 1 shows how out-of-pocket health costs have moved compared with all other prices as measured by the Consumer Price Index.

Figure 1: Health costs compared with CPI movements (June 2013 = 100)



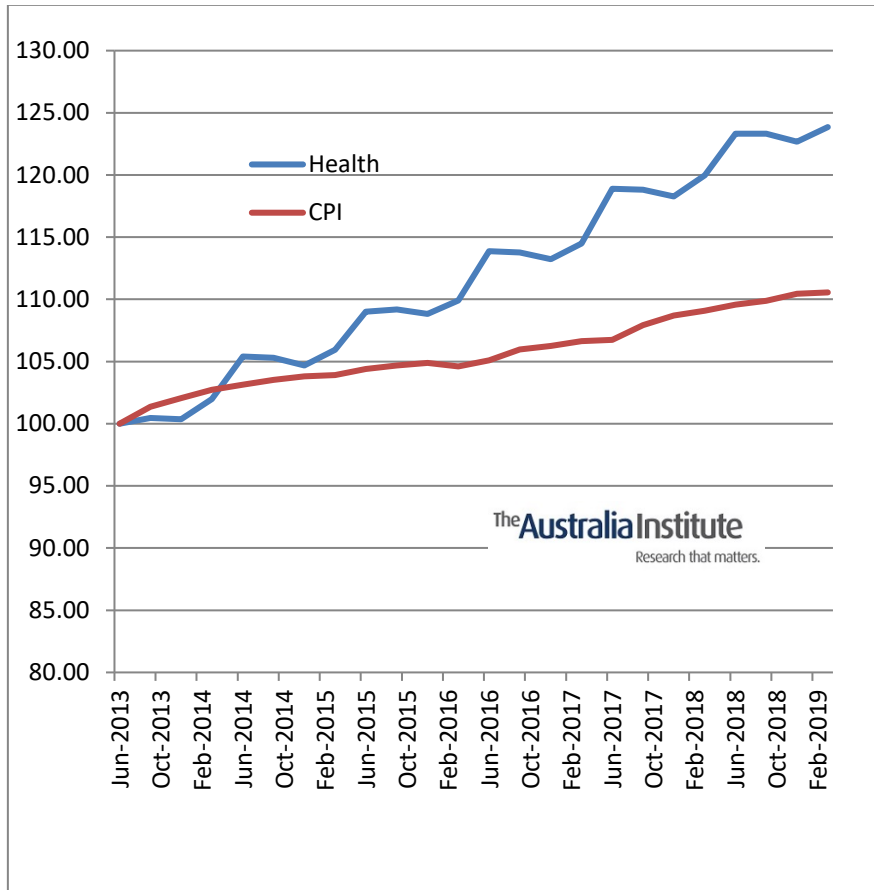
Source: ABS (2019) *Consumer Price Index, Australia, Mar 2019*, Cat no 6401.0, 24 April.

Figure 1 clearly shows that out-of-pocket health costs have soared compared with other prices. These health costs have more than doubled the rise in all prices with a 24 per cent increase in health costs compared with 11 per cent increases for *all* prices. The increase in health costs were mainly caused by a 33 per cent increase in medical and hospital services.

Adelaide

Figure 2 shows the figures for Adelaide which are similar to the national figures.

Figure 2: Adelaide: Health costs compared with CPI movements (June 2013 = 100)

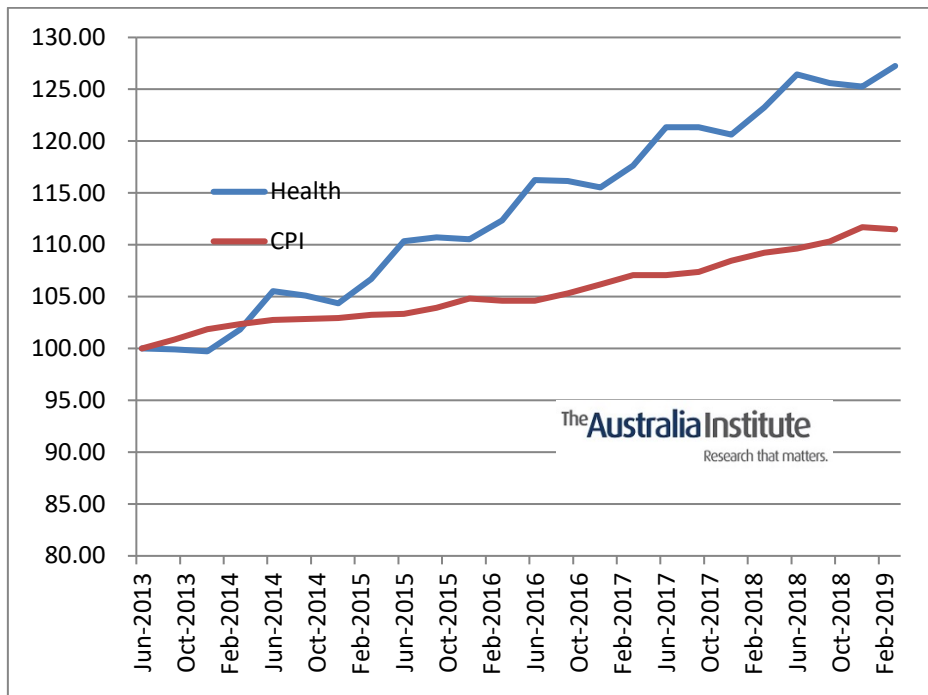


These health costs have more than doubled the rise in all prices with a 24 per cent increase in health costs compared with 11 per cent increases for *all* prices. The increase in health costs were mainly caused by a 32 per cent increase in medical and hospital services.

Hobart

Figure 3 shows the figures for Hobart which are similar to the national figures but health costs increased more than in the rest of the nation.

Figure 3: Hobart: Health costs compared with CPI movements (June 2013 = 100)



These health costs have more than doubled the rise in all prices with a 27 per cent increase in health costs compared with 12 per cent increases for *all* prices. The increase in health costs were mainly caused by a 38 per cent increase in medical and hospital services.