

13th March 2005

Media alert

Attention: Radio and TV producers

Health cover for the rich: New analysis

The Australia Institute has released a new report showing the distribution of private health insurance by income group and geographical area. Based on Roy Morgan Research covering 56,000 respondents the findings of the report include:

- 1 Health insurance coverage rises steadily with income. While only 24 per cent of Australians who live in households with incomes below \$25,000 per year are covered by private health insurance, the proportion rises to 69 per cent of those in households with incomes over \$100,000 per year.
- 2 Only 20 per cent of young couples with children and incomes less than \$40,000 have private health insurance. Among older married couples with incomes over \$40,000, 65 per cent are covered.
- 3 At least 53 per cent of the \$2.5 billion annual Federal Government subsidy to private health insurance accrues to households earning more than \$70,000 per year.
- 4 There are wide geographical disparities in health insurance coverage. Inequality is worst in Sydney where only 20 per cent of those living in the southwest are covered compared to 69 per cent in the wealthy northern suburbs.

The report can be found under What's New on the Institute's website www.tai.org.au.

For comment, please contact:

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The Australia Institute is a public-interest think tank based in Canberra.