

**Health Fund Bupa Should Put Up Or Shut Up On Claims Comparators’ Costs Push Up Premiums**

The industry body representing comparison services for private health insurance has called on the leading fund BUPA to provide hard evidence for its claims the cost of comparators increases premiums.

The fund has told Senate inquiry and the media that commissions paid to comparators for recruiting new members is pushing up the cost of policies for consumers.

But PHIIA, the Private Health Insurance Intermediaries Association, says the comparators are sales channels like any other and must remain competitive with the likes of Facebook, Google or funds’ marketing arms.

“ If Bupa or anyone else has evidence as opposed to conjecture for this suggestion let them please present it publically so we can comprehensively rebut it with the facts,” says PHIIA CEO Christopher Zinn.

“ The marketing costs of the funds, such as using comparators, are included in their publically available management expenses are there’s no sign of the kinds of increases Bupa seems to be referring to.”

PHIIA members in fact contribute to competition by providing cost effective sales channels for smaller funds and new entrants and also help recruit many new and younger members.

Ironically calls by Bupa and the Senate inquiry for greater disclosure of commissions paid could backfire due to the existing PHIIA self-regulatory code of conduct designed to avoid such conflicts of interest.

“Consultants are purposely unaware of commission rates so they and the intermediaries can not be accused of favouring one product or insurer over another,” said Zinn.

PHIIA members, such as comparison services iSelect, Compare The Market and Choosewell, provide advice at no cost to the consumer via phone to help align their needs with better value products.

Members are bound by a code of conduct ensuring recommendations are in the consumers’ interests and not influenced by any incentives or arrangements with the funds.

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