



31 March 2020

TO: ALL PRIVATE HEALTH INSURERS (PHIS)

REPORTING STANDARD HRS 6605.0 PRIVATE HEALTH INSURANCE REFORMS DATA COLLECTION (HRS 605.0) – POSTPONED IMPLEMENTATION AND FURTHER CHANGES

This letter is to inform private health insurers of the postponement of the implementation of HRS 605.0 to allow PHIs to devote resources to handling the impacts of COVID-19. This letter also contains information regarding further changes to HRS 605.0 following feedback from PHIs.

Background

The Australian Prudential Regulation Authority (APRA) will collect data under HRS 605.0 on behalf of the Department of Health (the Department) on private health insurance reform measures (reforms) announced by the Department in October 2017.

The Department released the initial reforms reporting form in January 2019. APRA changed the collection design to use a more data-centric approach, consulting in September 2019 and responding to submissions in December 2019¹, with implementation initially planned for the quarter ending June 2020.

Feedback from industry as entities prepared for implementation has led APRA and the Department to identify the need for two small amendments to HRS 605.0.

Postponement of implementation

As announced on 23 March, APRA has suspended the implementation and transition to reporting standards that have been recently finalised in response to the impact of COVID-19.

The decision is intended to allow APRA-regulated entities to dedicate time and resources to maintaining their operations and supporting customers, while also enabling APRA to intensify its focus on monitoring and responding to the impact of a rapidly changing environment on entities' financial and operational capacity.

As a result of this decision, APRA will pause the implementation of the current version of HRS 605.0, which was released in December 2019. PHIs will continue submitting data using the Excel-based collection.

Before updating HRS 605.0 to include the amendment identified by APRA and the Department, APRA will conduct a public consultation on the changes noted above. As detailed in the March letter, this consultation will be delayed until September 2020 at the earliest. Under this scenario, the first collection would be for the quarter ending March 2021. APRA will advise entities when consultation on HRS 605.0 opens in due course.

¹ [Consultations on private health insurance reform data collection](#)

Changes to HRS 605.0

APRA and the Department are concerned that entities may have progressed into building and implementing processes to prepare and submit HRS 605.0 data, and therefore wish to provide details of the changes prior to further implementation.

APRA and the Department have drafted two key changes to HRS 605.0. These changes are relatively minor but will improve the usefulness of HRS 605.0 data. The changes are:

- Removing co-payment from Tables 2 and 3; and
- Adding an additional dimension (column) to Table 4 to separately collect psychiatric services.

Marked-up versions of these tables can be found in the appendix to this letter. As mentioned earlier, APRA will consult formally on these changes at a later date.

If your entity has any concerns or questions please contact the Senior Manager, Data Frameworks and Strategy at DataConsultations@apra.gov.au.

Yours sincerely,

Alison Bliss
General Manager
Cross-Industry Insights & Data Division

3. Policies

Number of policies (1)	Private hospital insurance product tiers (2)	Policy cover type (3)	Policy treatment type (4)	Excess and co-payment amount (5)	Geography (6)
	Basic	Single	General treatment only		NSW
	Bronze	Family	Hospital and general treatment combined		VIC
	Silver	Single parent		Hospital treatment only	
	Gold	Couple			SA
	Not applicable	Two plus persons, no adults			WA
		Three plus adults			TAS

4. Hospital services, benefits, fees charged, treatment days and episodes

Number of services (1)	Benefits paid (2)	Fees charged (3)	Treatment days (4)	Episodes (5)	Age (6)	Hospital and hospital substitute treatment types (7)	Psychiatric care (8)	Geography (9)	Admission (10)	Hospital type (11)	Private hospital type (12)	Length of treatment (13)	Psychiatric care waiting period exemption (14)
						Medical services other than psychiatric services	Yes	NSW	First admission	Public hospital	Day	Overnight	Used
						Medical services - psychiatric services	No	VIC	Subsequent admission	Private hospital	Not day	Day	Not used
						Other		QLD	Not applicable	Hospital substitute	Not applicable	Not applicable	Not applicable
						Prosthetics		SA					
						Hospital cover - travel and accommodation		WA					
						Not applicable		TAS					
								ACT					
								NT					