



Australian Government

**Department of Health,
Disability and Ageing**

Ms Joanna Abhayaratna
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OIA@pmc.gov.au

Dear Ms Abhayaratna

Impact Analysis – Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill: regulating premiums – Second Pass Final Assessment

I am writing in relation to the attached Impact Analysis (IA) prepared for the Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026: Schedule 2, regulating premiums.

I am satisfied that the IA addresses the concerns raised in your letter of 27 January 2026. Specifically, the OIA's stated concerns were met through the following:

- 'Product phoenixing' was defined early in the document. Overarching information was improved to emphasise the role of private health insurance in Australia's health system.
- The policy problems were more clearly articulated by outlining the impacts on consumers and the broader private health industry if product phoenixing was not addressed.
- Information was provided on how a previous measure sought to address the issue.
- The objectives of government action were more clearly stated to align with the policy problems.
- Improvements to the options segment were made by articulating the consequences if the status quo was to be maintained over time, linking the options to the objectives and articulating the limitations of the options.
- Impacts were refined to remove references to the Commonwealth Government, and by describing the costs and benefits to different stakeholder groups where possible.

- The structure of the consultation section was improved to emphasise how the consultation process was fit for purpose, and how certain feedback was (or wasn't) incorporated into the proposal.

The regulatory burden to business, community organisations or individuals is quantified using the Australian Government's *Regulatory Burden Measurement* framework and is provided below.

Regulatory burden estimate table

Average annual regulatory costs (from business as usual)				
Change in costs (\$)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$480,000	\$0	\$0	\$480,000

Accordingly, I am satisfied that the IA is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Policy Impact Analysis*.

I submit the IA to the Office of Impact Analysis for formal final assessment.

Yours sincerely



Celia Street
Deputy Secretary
Strategy and First Nations Group
02 February 2026