

SUMMER / FEBRUARY 2015

# Health matters

## DIGITAL NUTRITION

Developing and  
maintaining healthy  
online habits

## AGED CARE TRANSITION SERVICE

A new benefit for  
our members

## INTRODUCING MEMBERS OWN HEALTH FUNDS

An exciting change in  
private health insurance



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# From the Editor

Welcome to the first edition of *Healthmatters* for 2015. We hope you had a happy and relaxed festive season and are looking forward to the year ahead.

In this issue we introduce Jocelyn Brewer, the well-deserved recipient of the Premier's Teachers Health Fund Health Education Scholarship. Jocelyn tells us more about the scholarship and her plans to use the funding to develop her concept of 'Digital Nutrition'.

Don't forget to check our 'Noticeboard' on page 12 for important news and information, including fraud prevention, using your private health insurance in public hospitals and a reminder to switch to Direct Debit payments if you're nearing retirement. We've also included some useful Q&As on the annual contribution rate and benefit review.

We hope that you enjoy reading this edition of *Healthmatters* and look forward to bringing you more in the coming year.

Wishing you the best in health,

**Lauren Deering**, Editor

# From the CEO

In this issue of *Healthmatters*, I am excited to announce the launch of Members Own Health Funds – a new chapter in private health insurance in Australia. We are also pleased to introduce our new aged care transition service to further support our members. Turn to page 8 for more information on this service and details of how to apply.

I am delighted to announce another successful year for Teachers Health Fund with continued strong growth in our member base. Our 'Year in review' includes some extracts from our 2013-14 Annual Report. The full report can be downloaded from [teachershealth.com.au](http://teachershealth.com.au)

The lucky winners of our 60th anniversary prizes have now been notified. Congratulations to everyone who won and thank you to all our members who participated in the promotions.

As always we appreciate your continued support of the only health fund exclusively for the education community and I wish you all good health and a happy New Year.

Yours sincerely,

**Brad Joyce**, CEO

# Introducing Members Own Health Funds

Teachers Health Fund's CEO, Brad Joyce tells us about an exciting new development in the Australian private health insurance industry and how it benefits Teachers Health Fund members.



Australians have a choice when it comes to investing in their most important asset – their health. They can choose a health insurer that treats people as a number; that puts profit before people and shareholder return before member well-being. Or, as you as Teachers Health Fund members have chosen to do, they can choose a health fund that treats them as a member. Over 2.5 million Australians have chosen not-for-profit and mutual Australian health funds and these funds have now come together as 'Members Own Health Funds'.

## Who are Members Own Health Funds?

Members Own Health Funds is a new entity created under an agreement between 15 not-for-profit and mutual Australian health funds. The new entity has been created to ensure that not-for-profit and mutual health funds

are able to communicate the advantages they provide when compared to investor driven or overseas owned health funds. Members Own Health Funds speaks for over 2.5 million health fund members.

## What does Members Own Health Funds stand for?

In line with Teachers Health Fund's ethos, Members Own Health Funds is underpinned by the belief that we are here for members and their well-being. We simply do not believe that maximising shareholder returns or profits is an appropriate philosophy to apply to people's health needs and we are not driven by the pressure to generate shareholder returns or the need to send profits to overseas owners.

## What makes Members Own Health Funds different?

With Members Own Health Funds you're a member, not a number or profit centre. Like Teachers Health Fund, Members Own Health Funds are run to benefit members – not shareholders or overseas owners – and are focused on giving more back and doing more for their members. Members Own Health Funds deliver better service, have higher member satisfaction and loyalty and receive fewer complaints than for-profit or overseas-owned health funds\*.

## Why has this happened now?

For generations health insurance in Australia was provided by not-for-profit and mutual funds run for the benefit of their members. During the last ten years the private health insurance

landscape within Australia has changed dramatically as these not-for-profit and mutual health funds have been taken over by large, for-profit and overseas health funds, while others have demutualised to become listed entities. Australians need to know that there is an alternative. The idea for the creation of Members Own Health Funds was born out of discussions between several not-for-profit and mutual funds, including Teachers Health Fund.

## How is Members Own Health Funds operated?

Members Own Health Funds is a public company limited by guarantee and governed by a Board of Directors who are executives of seven of the member funds. The activities of Members Own Health Funds are funded by subscriptions of the member funds and all members have equal rights.

## How will this benefit Teachers Health Fund members?

Growth is important for Teachers Health Fund, helping to offset the increasing costs associated with an ageing population. By coming together Members Own Health Funds can create a stronger market presence for Australia's not-for-profit and mutual health funds. This month you'll see the launch of a public awareness campaign to make more Australians aware of the choice they have. Increasing membership numbers will assist in keeping Teachers Health Fund's contribution rates as low as financially sustainable, benefiting all members.

For more information, visit [teachershealth.com.au](http://teachershealth.com.au) or contact us on **1300 728 188**.

\*Based on paid benefits as a percentage of premiums and on member retention rates of 2+ years and complaints to the Private Health Insurance Ombudsman. Claims based on five year average, aggregated outcomes of Members Own Health Funds versus the group comprising Medibank, AHM, nib and Bupa.

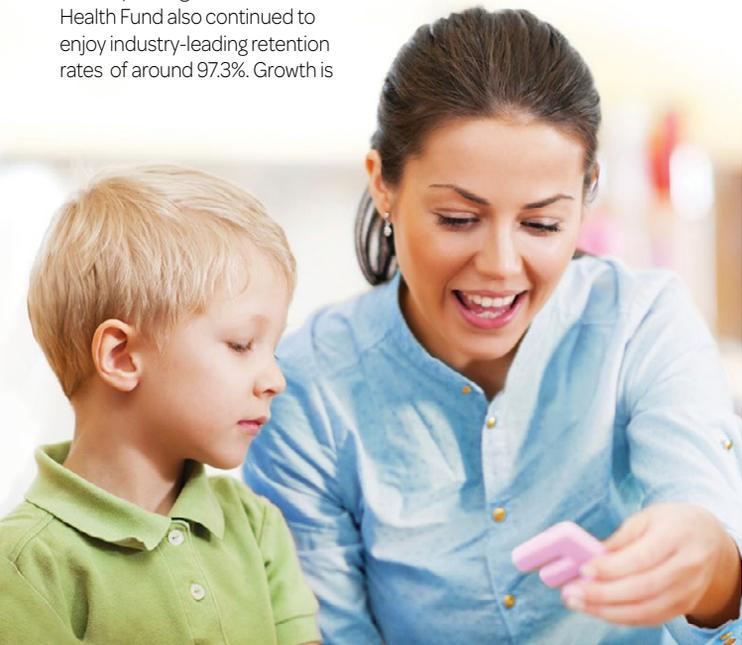
# Year in review

Teachers Health Fund is pleased to report another successful year of strong performance with continued membership growth. Here are a few highlights from the 2013-14 Annual Report.

## Membership growth

Teachers Health Fund continued to achieve net member growth significantly above that recorded by the industry. In the 2013-14 financial year, we achieved 5.6% net growth in NSW and 13.8% across the other states (a total average of 7.4%), compared to an industry average of 2.7%. Teachers Health Fund also continued to enjoy industry-leading retention rates of around 97.3%. Growth is

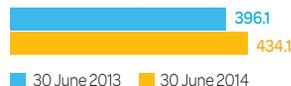
a key component of our business strategy, helping to reduce overall administration costs per member, enabling continued development of disease prevention and management services and assisting in keeping contribution rate increases as low as financially sustainable.



## Premium revenue

Teachers Health Fund's annual premium revenue grew by over 9.6% and is now over \$430m. This growth is a result of our membership growth together with our pricing policy which reflects the need to cover growth in claims and achieve a sustainable and responsible level of operating surplus to maintain capital reserves at a level appropriate to a health fund of this size.

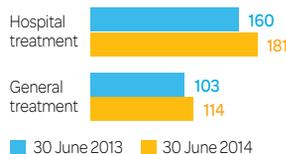
### Premium revenue (\$' millions)



## Benefit payments

Teachers Health Fund's total benefit payments were \$402m, an 8.6% increase on the 2012-13 financial year. We returned an average of \$3,396 for every member, up from \$3,332. Members also utilised more services, with total hospital episodes up by 9,047 or 11.6% and general treatment episodes up by 185,420 or 9.9%. Teachers Health Fund paid members 93 cents in every dollar of contribution income received.

### Benefits paid (\$' millions)



## Operating costs

Teachers Health Fund is proud to deliver high quality customer service at one of the lowest administrative costs in the industry. In the 2013-14 financial year our total administrative management expenses were \$30.3m, representing 7% of contribution income, well under the industry average of 8.5%. Our business

strategy is to continue to provide our members with easier ways to make claims and transactions. Over the longer term, these initiatives will further improve efficiencies, increase customer satisfaction and ultimately achieve even lower administrative costs in the years ahead.

### Management expense ratio (%)



## Operating surplus

Teachers Health Fund's lower than average premium rate increase in 2014, combined with effective management of Teachers Health Fund's capital position, resulted in an operating surplus of \$17.2m. The industry as a whole recorded a surplus of just over \$1 billion.

## Looking ahead

As the only private health insurance fund exclusively for the education community, Teachers Health Fund remains focused on operating the Fund in a responsible and sustainable manner that provides enhanced products and services to our members. As a mutual, not-for-profit organisation, we are committed to giving back to the education community through sponsorships, scholarships and health and well-being programs.

For more information download our Annual Report from [teachershealth.com.au](http://teachershealth.com.au)

We remain the only private health insurer exclusively for the education community.

# Aged care transition service

Finding the right residential aged care facility can be a complex process and it's easy to be confused by the myriad of options available. Teachers Health Fund has launched a new service to support our members during this time.

Moving yourself or a loved one into residential aged care is a difficult decision and making the wrong choice at such an emotional time could affect the comfort and quality of life for you or a loved one. To help you during this time, Teachers Health Fund has engaged the services of Millennium Aged Care Placement Consultants to simplify the process for our members.

Eligible Teachers Health Fund members\* who are faced with the prospect of moving into residential aged care can access the new service as a benefit of being a Teachers Health Fund member, at no additional cost. Family members can also access the service on behalf of a loved-one who is a Teachers Health Fund member.

Millennium's experienced consultants can assist you and your family in understanding the options for the future. They can help to address the needs and desires of yourself or a loved one with regards to ongoing living arrangements.

To ensure that the transition into residential aged care is smooth and in accordance with your wishes or those of a loved one, the service offered by Millennium includes:

- Meeting with you and your family to talk over your personal situation and requirements and any factors that may impact on the patient's overall health and well-being
- Helping you understand the aged care system and the process for placement

- Explaining the fees and charges that you will expect to pay in securing and maintaining residential aged care services and accommodation
- Presenting your best options and supporting you in the decision making process regarding care
- Assisting all levels of care including high and low level residential care, and permanent accommodation, including dementia secure accommodation
- Liaising with care facilities on your behalf and scheduling appointments to inspect each one
- Attending inspections with you at selected facilities if requested
- Assisting in completing and submitting all the necessary paperwork including statutory requirements and application forms for each facility
- Finalising placement

If you think that you or someone on your membership would benefit from this service, please contact Millennium Aged Care Placement Consultants directly on **1300 755 702** to discuss your needs. Simply quote your or your loved one's Teachers Health Fund membership number.

If you would like to access this service for a loved one who is not a Teachers Health Fund member, you can also contact Millennium directly and receive a 10% discount on their standard charges.

\* Eligibility criteria, waiting periods and terms and conditions apply. Visit [teachershealth.com.au](http://teachershealth.com.au) or contact us for more information.



Call **1300 755 702** or visit [millenniumagedcare.com.au](http://millenniumagedcare.com.au) for more information.

# Digital nutrition



School counsellor and psychologist, Jocelyn Brewer was the recipient of the 2014 Premier's Teachers Health Fund Health Education Scholarship. Jocelyn spoke to *Healthmatters* to tell us more.

As teachers it is impossible to ignore the way that digital technology has not only shaped the way we teach, but its capacity to captivate the attention of our students. As schools scramble to provide the best technology and 21st century pedagogy, there's an important component missing: teaching the soft skills required to mediate and moderate its use.

I undertook the NSW Department of Education's School Counsellor Retraining program in 2008, the same year that the Digital Education Revolution was launched. Students across the nation were being handed laptops and told to learn with the devices. The lines between leisure and learning were blurring.

While an emphasis has been placed on addressing issues of cyber-bullying and cyber-safety (and rightly so), little focus has shone on issues of internet and technology overuse. Some neuroscientists peddle worrying

prophecies of a generation of 'tech zombies', yet 'digital citizenship' education has largely overlooked the domain of 'digital well-being'.

In the five years since I started researching the construct variably known as 'internet addiction', 'problematic internet use' and 'internet gaming disorder', the uptake of smartphone and tablet devices has exploded. As a school counsellor and psychologist I have noticed an increase in issues relating back to the use, overuse and misuse of technology. The more I talked to teachers and parents about technology use, the more I felt that a targeted program to proactively address the issues was needed.

Through the NSW Premier's Teachers Health Fund Education Scholarship – a \$15,000 grant which includes five weeks paid study leave – I am able to explore my concept of 'Digital Nutrition'.

Digital Nutrition borrows from decades of research and public education on healthy food and eating choices to provide a framework for the kinds of online activities that provide the most benefits to consumers. Rather than terms such as 'digital diet' and 'digital detox', it promotes a positive approach to developing sustainable habits which support getting the best out of technology, while avoiding the pitfalls.

Think of the healthy eating pyramid – we know lots about the types of foods that are 'good' for us, that 'junk' foods are 'sometimes' foods, and that crash diets and detoxes generally don't work. Apply this thinking to the activities we do online or using technology. There are some activities which are less rich in the way they engage our brains and can create compulsive

behaviours and narrow neural pathways. The 'superfoods' of the online world include well-designed games and apps which require complex cognitive skills.

As with binge eating, spending long stretches of time habitually online is not beneficial. Investigating screen time limits and the psychological mechanisms by which we can coach kids (and even ourselves as adults) to demonstrate both self-control and peer influence around online activities will be part of the Digital Nutrition model.

My study tour will take me across the USA in May 2015 and I will work with a range of individuals, not-for-profit organisations and universities. You can follow my journey at [teachershealth.com.au/digitalnutrition](http://teachershealth.com.au/digitalnutrition)

Working on a project that you think other teachers might be interested in?  
Email [healthmatters@teachershealth.com.au](mailto:healthmatters@teachershealth.com.au)

# Noticeboard

## Fraud prevention

To help ensure that your membership is protected from fraud or misuse and to help us keep premiums as low as possible, don't forget to:

- Report any stolen or lost membership cards within 24 hours
- Never leave your membership card with service providers
- Check your limits online
- Keep your online member services password safe and change it regularly

If you have any questions or concerns regarding this, contact us on **1300 728 188**.

## Competition winner!

Congratulations to **Karen McLeod** our Feedback ASAP prize draw winner. You have won a **\$1,000 Visa gift card**. We hope you enjoy your prize!

## Private health insurance in public hospitals

Teachers Health Fund has heard reports that some public hospitals are coercing patients to declare their private health insurance.

Don't forget, under the national Medicare agreement, every Australian is entitled to free health care in a public hospital. Unless you're getting a choice of doctor, a choice of hospital or a private room, do not feel pressured into declaring your private health insurance.

Misleading claims that patients who use their private health insurance will not be financially disadvantaged ignore the fact that unnecessary insurance claims force insurance premiums to rise.

## Nearing retirement?

Financial planning is important as you head towards retirement. If you're not currently paying your contributions by Direct Debit, don't forget to add your Teachers Health Fund membership to your planning checklist and switch to Direct Debit payments to ensure your membership doesn't go into arrears.

For more information, contact us on **1300 728 188**.

# Travel insurance

Get peace of mind with travel insurance through Teachers Health Fund.

Teachers Health Fund members receive

**10% discount** on their travel insurance

Choose a cover that suits you:

- ✓ Comprehensive (international or domestic)
- ✓ Essentials
- ✓ Multi-trip
- ✓ Cancellation & Luggage

Our comprehensive travel insurance cover provides:

- ✓ Unlimited medical & hospital expenses\*
- ✓ Unlimited overseas emergency assistance\*
- ✓ Customisable cancellation fees & lost deposits\*
- ✓ Cover for your luggage & personal effects\*

For more information or to get a quote visit [teachershealth.com.au](http://teachershealth.com.au) or call **1300 728 188**

\*Sub-limits apply - refer to Your Policy Cover section of the PDS for details.

\*You must nominate the benefit limit for Section 2.1 Cancellation Fees & Lost Deposits from the optional amounts made available to you when you purchase your policy. The benefit limit selected by you will be shown on your Certificate of Insurance.

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Teachers Health Fund

Travel Insurance

# Contribution rate changes explained

The annual contribution rate and benefit review can be confusing so here are some Q&As to explain more about the process. Our 'Top five' claims for the 2013–14 financial year highlight just how important private health insurance is.



## Do all funds carry out a review of their rates?

Yes, all Australian private health insurers review their rates annually. The Federal Government is responsible for regulating this process and requires that all health insurers provide justification as to why changes to rates are necessary.

## Why is it necessary?

Teachers Health Fund conducts a review each year to ensure that our range of products and benefits remain competitive and sustainable. As a mutual, not-for-profit organisation, we do not pay dividends to shareholders or overseas investors. Any surplus generated by Teachers Health Fund is reinvested in the business for the benefit of our members. Our pricing policy continues to reflect the need to cover growth in claims and achieve a responsible level of operating surplus to ensure the commercial stability of the Fund.

If you've opted to receive communications from us electronically, the changes will be communicated to you by email.

## How much have Hospital, Medical and Extras services claims increased?

Hospital and Medical benefits for Teachers Health Fund have increased by 86% in the past five years, reflecting our growing and ageing membership base, increased utilisation of services, and higher costs for services. In financial year 2013–14 we paid \$291.6m in Hospital and Medical benefits, equating to 93.6 cents in every dollar received in contributions. In financial year 2013–14 we paid \$114.6m in Extras benefits, an increase of 46% in the past five years. On average, over the previous five years, Teachers Health Fund has returned 91 cents in Hospital, Medical and Extras benefits for every dollar of contributions received.

## Is the difference between the high increase in claims costs and the low increase in contribution rates a cause for concern?

No, contribution rates are set following consideration of independent actuarial advice. In addition, Teachers Health Fund has an investment portfolio and other businesses that generate additional income for the organisation. Teachers Health Fund's administrative

costs are also among the lowest in the industry and we continually look for opportunities to improve efficiencies and lower administration costs, whilst maintaining a high level of customer satisfaction.

## When do contribution rate changes happen?

The changes will be communicated to members in March 2015 and will take effect in early April 2015.

## Why is private health insurance so important?

Private health insurance protects your most important asset – your health. It gives you peace of mind knowing that you and your family are covered in the event of needing medical assistance. It gives you control over when and where you're treated and the ability to choose your own doctor. It also allows you to avoid the lengthy public hospital waiting lists. With Extras cover you can also claim benefits on services that aren't generally covered by Medicare, including optical, dental, physio, chiro, speech therapy and remedial massage.

If you have any further questions concerning this, please contact us on **1300 728 188**.

THF top five individual hospital claims in FY2013–14	Total hospital + medical benefits paid
Bowel resection with complications	\$268,035.84
Cardiac surgery	\$219,388.00
Spinal fusion with complications	\$190,793.65
Cerebral haemorrhage with neurosurgery	\$187,503.66
Bowel surgery	\$166,946.70

# Calendar

## February 2015

<b>Month</b>	<b>Red Feb Month (Heart Research Australia)</b>
<b>Month</b>	<b>Raynaud's Awareness Month</b>
<b>Month</b>	<b>FebFast</b>
2	Neuroblastoma Awareness Day
16–22	Australia's Healthy Weight Week
25	Teal Ribbon Day (Ovarian Cancer Australia)
28	International Rare Disease Day

## March 2015

<b>Month</b>	<b>National Epilepsy Awareness Month</b>
<b>Month</b>	<b>Melanoma March</b>
<b>Month</b>	<b>Dine In For Diabetes</b>
2–8	National Sleep Awareness Day
8–15	World Glaucoma Week
8–15	Multiple Birth Awareness Week
12	World Kidney Day
13–20	Coeliac Awareness Week
16–22	International Brain Awareness Week
20	World Oral Health Day

## April 2015

<b>Month</b>	<b>International Fabry Disease Awareness Month</b>
3	Good Friday (Teachers Health Centre closed)
6	Easter Monday (Teachers Health Centre closed)
7	World Health Day
11	World Parkinson's Day
15	Wear Green for Premmies
19–25	Osteopathy Awareness Week
25	Anzac Day

The dates and events listed are major awareness days, weeks and months related to health and ageing. They could be subject to change and confirmation should be sought from the relevant organisation before planning associated activities. For further information, please visit [health.gov.au](http://health.gov.au) and click on 'Calendar of Events'.



# Start this year right.



Teachers  
Health Fund

Health  
Centre

To do list:

## Health Checks

- Eyecare
- Dental
- Physio\*
- Chiro\*
- Remedial  
massage\*

# Don't leave it to the last minute.

Call **1300 728 488** to book your appointments today!

## Eyecare

- ✓ 50% ~ off optical frames
- ✓ 25% ^ off sunglasses & contact lenses

## Dental

- ✓ No-Gap<sup>†</sup> preventative dental check-ups

## Physio, Chiro & Remedial Massage

- ✓ Pay only \$40<sup>‡</sup> for an initial appointment

Health  
Centre

Teachers  
Health Fund

Surry Hills, NSW  
Parramatta, NSW  
Hamilton, NSW  
Richmond, VIC

~ Available to Teachers Health Fund members, maximum discount of \$250, frames must be purchased in conjunction with prescription lenses. ^ Up to a maximum discount of \$250.

‡ Price is valid for an initial appointment only. Prices and offers are subject to change without notice. † No-Gap services are based on level of cover and available benefits.

\* Physiotherapy, Chiropractic & Remedial Massage services are only available in selected Health Centres. See [teachershealth.com.au](http://teachershealth.com.au) for more information.

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# Visit a VSP Vision Care Optometrist for quality care and great value eyewear options.

Plus access great benefits including:

- ✓ **15% off contact lenses**
- ✓ **Choice of designer eyewear, with no gap options<sup>^</sup>**
- ✓ **UV protection at no extra cost**



Receive a **FREE** pair from our \$149 Designer range with single vision lenses, when you purchase a full priced frame\*

To find your nearest VSP Vision Care optometrist visit [vsp-australia.com.au](http://vsp-australia.com.au) or call **1800 760 360**.

For more information visit [teachershealth.com.au](http://teachershealth.com.au) or call us on **1300 728 188**.



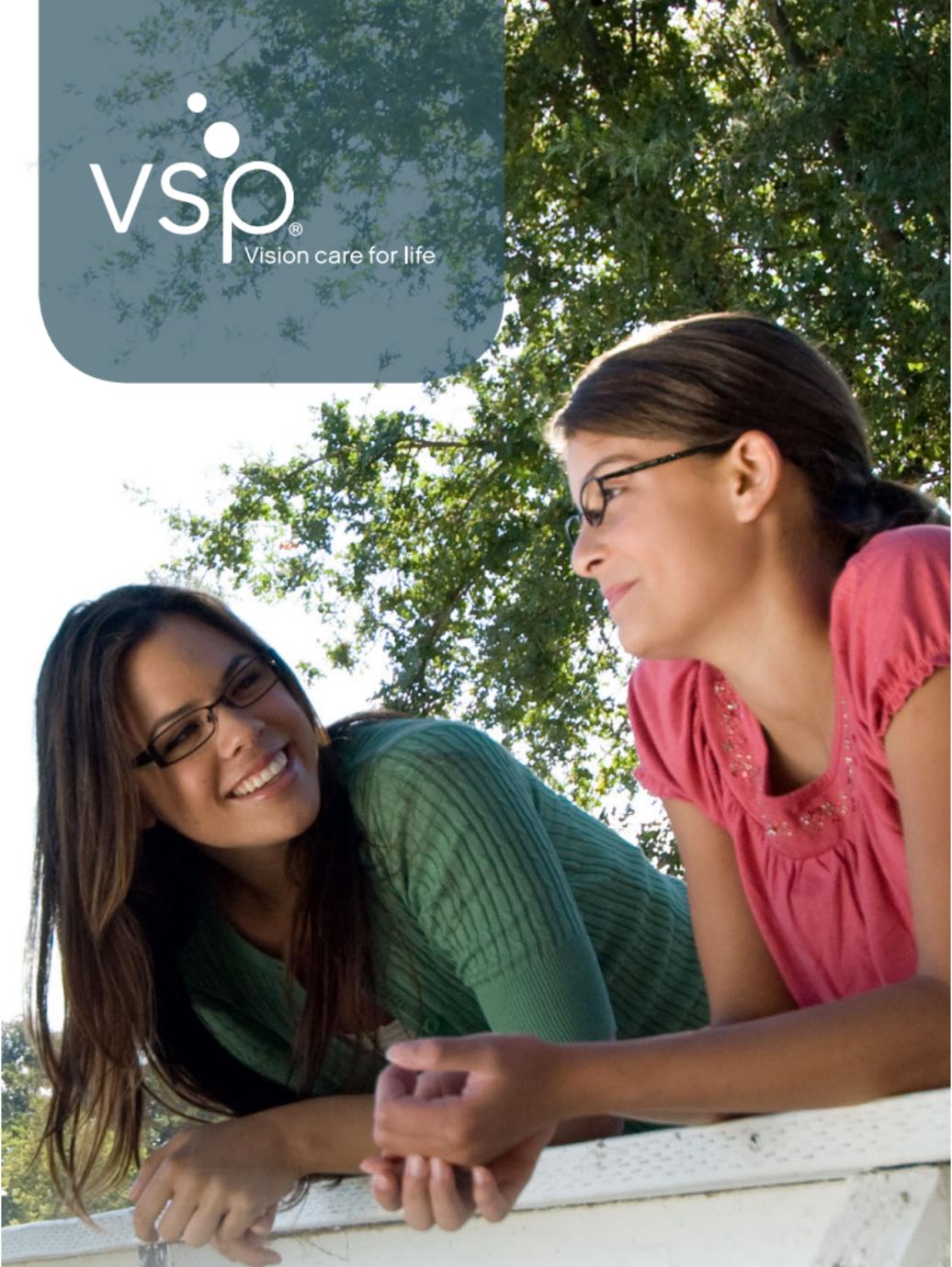
\*At participating VSP practices only. First pair must be purchased outside of the No Gap ranges to qualify for the free second pair from the \$149 designer range. Includes single vision, hard coated, scratch resistant, UV protective lenses.

<sup>^</sup> No Gap subject to your policy benefits, annual limits and waiting periods.

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# FREE 2ND PAIR\*

Receive a free pair from our \$149.00 Designer Range with single vision lenses, when you purchase a frame outside of No Gap packages.

\*At participating VSP practices only. Terms and conditions apply.