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### Private health insurance (PHI) rebate cuts for natural therapies

Prior to the Government's announcement of the rebate on Friday 13 October, around 25,000 Australians had signed the [Your Health Your Choice](#) (YHYC) petition. **Since the announcement, this has more than doubled: over 50,000 Australians have now registered their protest and this is growing daily.** In the last ten days alone, the campaign has reached over a million people with a post engagement of 150,000 and over 6,000 shares through social media. The campaign is also now receiving celebrity endorsement, for example celebrity chef and health advocate Peter Evans has endorsed the campaign to his large supporter base.



The YHYC campaign was instigated three months ago to protest entrenched bias towards natural therapies and complementary medicine within the Federal Health bureaucracy, culminating in flawed reports that have misinformed the public and Government regarding the evidence on natural therapies.



The PHI announcement sends the message to the community that the Government is not prepared to invest in preventative health and wellness measures such as yoga, naturopathy, phytotherapy and tai chi that people value and invest in to maintain their health and manage chronic health conditions. People value these extras as a core component of their private health cover.



**Already, the campaign has received overwhelming feedback from Australians stating that they will now revoke and/or minimise their private health insurance as a result of the cuts.**



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These cuts are being justified by deeply flawed reviews conducted by the National Health & Medical Research Council (NHMRC) on behalf of the Department of Health, which misrepresent the evidence on natural therapies and did **not** adequately assess the evidence as claimed. This is because the reviews were not undertaken with the intent to objectively assess the evidence on natural therapies. **They were instigated in mid 2012 by the then Labor government for the specific purpose of providing a justification for budget cuts.** This explains the *political* (not scientific) basis of the reviews and why the public and the Government alike have been misled.

In relation to the Natural Therapies Reviews conducted by the NHMRC:

- The terms of reference were not met. The Department of Health website continues to misinform the public that the PHI review “*examined the evidence of clinical efficacy, cost effectiveness, safety and quality of natural therapies*”; in fact **NO evidence was actively retrieved or assessed relating to cost effectiveness, safety and quality for any therapy**
- In relation to ‘efficacy’, **NO original studies were retrieved or assessed** for any therapy
- **NO subject/ therapy research experts were involved in reviewing the evidence**
- **Anti-natural medicine political lobbyists were included in the overview committee,** without any conflicts of interests declared or formally managed.



Shatsu Therapy Association of Australia



The substandard nature of the Natural Therapies Review process is highlighted by facts such as: for Herbal Medicine and Naturopathy combined (two of the most highly researched and widely used natural therapies in the world), **the number of published studies identified and reviewed was 0.** This was despite the NT Review report acknowledging (p.65), “*there is a large body of research on the effects of individual herbal agents and remedies*” - which was ignored in its entirety. The same flawed approach impacted the reviews of all 17 natural therapies, where *no* original studies were assessed and positive findings were dismissed without proper assessment.



For Homeopathy, the NHMRC reinvented the research protocol after the assessment had already been completed (without disclosure of the fact). Arbitrary criteria were retrospectively created and



applied, which resulted in the results of 171 out of the included 176 studies being dismissed from any consideration in the findings, reducing the scope to only 5 “reliable” studies (despite 50% of the 176 studies reporting positive outcomes and only 5% negative, the same proportion as seen in published conventional research). The NHMRC even fired a first reviewer in 2012 who it appears reported this positive evidence, contrary to pre-held expectations of the outcome. Evidence of misconduct relating to this review is publically available at [www.nhmrchomeopathy.com](http://www.nhmrchomeopathy.com) and <https://www.hri-research.org/2017/04/hri-analysis-of-australian-report/>. This is continuing to attract attention domestically and internationally.

The YHYC campaign is drawing Australians’ awareness to such damning facts and bias; it also calls for the NHMRC to release the first 2012 Homeopathy Review and explain why the existence of this review, its findings and public expenditure has been obfuscated. These are serious issues that have been referred to the Commonwealth Ombudsman for review.

Over the past twenty years, there has been a growing body of scientific evidence showing the efficacy of natural therapies and complementary medicines. There are also a growing number of economic analyses that highlight their cost effectiveness, especially in the prevention and management of chronic disease - **which were not assessed**. It is unclear how reports intended to inform Government regarding fiscal matters in healthcare are fit for purpose, when they did not conduct any targeted cost-effectiveness or cost-benefit analysis (despite claiming to).

A 2014 Frost & Sullivan report showed that several of the better known complementary medicines commonly prescribed by natural therapists (e.g. magnesium, calcium, Vitamins B6/ B12/ D, folic acid, lutein, zeaxanthin, St John’s Wort) are able to reduce the risk of experiencing a medical event associated with common chronic medical conditions, resulting in health benefits and considerable long term savings to the health system. The NHMRC reports into natural therapies did not assess *any* research evidence relating to these therapeutic agents.

**The NHMRC/ Department of Health has misinformed the public and Government regarding the evidence for natural therapies to justify the cuts to PHI, where in fact no original research was retrieved or assessed, large categories of evidence were excluded from scope altogether and unusual/ unprecedented methods applied to the evidence identified.**

Further, inequity and inconsistency are apparent in the Government’s announcement, with massage and myotherapy services continuing to be supported under PHI, despite:

- The NT Review concluding there was ‘no conclusive evidence’ for the health benefits of the various categories of massage reviewed; and
- Massage being by far the most used natural therapy in Australia (>60%), hence attracting the largest slice of the natural therapy rebate pool (meaning actual savings are minimal).

We agree that people need access to PHI and applaud the Government’s moves to make it more accessible and affordable. However, taking away access to services that 2 in 3 Australians use makes no sense and represents a false economy. While providing short-term savings, it will greatly increase costs to healthcare in the long term. The fact is the millions of Australians that value natural therapies will continue to support them and budget for them accordingly, at the expense of PHI uptake. Correspondingly, the increase to peoples’ out of pocket expenses will increase pressure on the public health system. **This is what people are voicing via the YHYC campaign, with many signalling they will invest in natural therapies services at the expense of private health cover, which will no longer meet their overall health needs.**

Young people in particular aren’t thinking about their next hip replacement, they are looking for services that support their health and wellbeing, so they don’t get sick in the first place. It makes no sense to entice them to take up PHI on the one hand, while taking away rebates for the very services they use and value on the other. It is unclear how this supports the Government’s objective of supporting the PHI sector and attracting more people to join.

The YHYC campaign’s reach is spreading through the community and as it does, hidden details of administrative and scientific misconduct by the NHMRC (Australia’s peak medical research funding body) in relation to the Homeopathy and Natural Therapies reviews are surfacing. It is unclear how the Government will be able to sustain justifying basing controversial and unpopular policies on the basis of such reports. This is especially the case where the Commonwealth

Ombudsman finds that misconduct has occurred.

Irrespective of the Ombudsman process, the YHYC campaign has the resources at its disposal to escalate this matter as required to seek natural justice on this issue. Media and investigative journalists' interest in this issue is increasing as the YHYC campaign grows and extends its reach further into the community and internationally.

**At a more fundamental level, this issue relates to research integrity and to taxpayer resources being misused to prevent public access to research findings regarding services and therapies impacting their health. It also relates to Government being misinformed by the NHMRC and Department of Health to the detriment of professions and the community.**

Australia is a signatory to the *World Health Organisation Traditional Medicines Strategy 2013-2023*, which requires member states to develop proactive policies to strengthen the role natural therapies plays in contributing to community health. The proposed PHI rebate cut is a regressive policy that contravenes Australia's international obligations and does not meet community standards.

We welcome your consideration of these issues and request you reconsider the Government's announcement to cut the PHI rebate for natural therapies, and formally request the opportunity to discuss these issues with you in person.

Yours sincerely,



Gerry Dendrinis

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[www.yourhealthyourchoice.com.au](http://www.yourhealthyourchoice.com.au)

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**For and on behalf of the Your Health Your Choice collaborative:**

Complementary Medicines Australia (CMA)

Yoga Australia

Australian Traditional Medicine Society (ATMS)

Australian Naturopathic Practitioners Association (ANPA)

Complementary Medicines Association (CMA)

Australian Homoeopathic Association (AHA)

International Aromatherapy & Aromatic Medicine Association (IAAMA)

Bowen Therapists Federation of Australia (BTFA)

Shiatsu Therapy Association of Australia (STAA)

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Martin & Pleasance

Natural Therapies Pages

