



**PRESS STATEMENT**

**The Minister of Health**

**The Honourable Kim N. Wilson, JP, MP**

**Thursday 2<sup>nd</sup> May 2019, 11:00 a.m.**

**at A. B. Place Media**

Good morning members of the media

I have invited you today in very unfortunate circumstances. It saddens me to have to highlight a particular company's actions, but the impact to policy holders and the public is the most important thing to me at this time.

I announced recently, and reiterated yesterday, that this year there will be no increase to the mandated standard health premium or to HIP or FutureCare premiums. However, I received from one local business a communication by BF&M stating that despite the Government making the hospital funding more efficient and not increasing premiums, BF&M is increasing their insurance rates significantly. The letter wrongly blames the Government for the increase.

The letter is wholly misleading and contains serious inaccuracies that the public must be aware of.

The standard premium rate and the mutual reinsurance fund premium are not a tax. They are actuarially derived premiums to pay for healthcare.

There is no 225% increase on any tax. This is wholly untrue.

The premium increases made by this company are a business decision based on profit margins and shareholder interests. The extra premium they are charging

is not to pay for hospital care – the Government is protecting that – it’s to fund their profits.

What I want to remind the public is that their health insurance premiums – in particular the mandated premium for standard health benefits – are not the entitled right of corporations. They are intended to pay for healthcare, not for profits.

The change we are making in the way we fund BHB is ensuring that all of your standard health premium pays only for healthcare and its oversight.

The new streamlined model for BHB makes hospital funding more efficient and takes out the middle man of claims adjudication. This reduces administration protecting healthcare dollars for healthcare.

To be clear, there is no increase from the government, and it is unconscionable that BF&M who recently reported healthy profits, would attempt to blame their premium increase on the government’s efficiency measures. In fact, the government took extraordinary steps to avoid a premium increase.

Policy holders affected by these increases must challenge their insurer and shop around if necessary. You are the customer and you choose how to invest your health care dollars.

Thank you