



March 22, 2019

In Response to Statements made by the President of PNG National Doctors Association

PHA MEDIA STATEMENT – 21st March 2019

**In Response to Statements made by the President of PNG National Doctors
Association**

On behalf of PHA's management and board of directors, I would like to respond to recent statements made by the President of the PNG National Doctors Association (NDA) that were published through Post Courier and The National on 14 March 2019.

PHA's management and board of directors would like to categorically mention that there was no attempt from Post Courier and The National to contact our company and us individually for comments prior to the publishing of such statements.

We at PHA are deeply offended by the statements and false accusations made that has misled the public servants and we believe these statements and false accusations are malicious and have no basis. As such we would like to provide clarification of these statements and false accusations.

Firstly, PHA's National Healthcare Insurance Scheme (the "Scheme"), launched on the 9th of March 2019, is a voluntary insurance cover available to all the residents of Papua New Guinea with its first scheme, the Public Officers Voluntary Healthcare Insurance Scheme, offered to all the public servants in the National Government. **PHA has made no official statement that all 110,000 public servants have signed-up for this voluntary scheme.** As stated, PHA's National Healthcare Insurance Scheme is a voluntary health insurance scheme available to all the residents of Papua New Guinea.

PHA has not stated officially or otherwise that preferential treatment will be given to public servants in public hospitals. **However, PHA plans to set aside 5% of its annual net profit before tax which will help develop the healthcare ecosystem in**

the country, in conjunction with the Department of Health, including giving assistance to improve the healthcare facilities of the public hospitals for quality health care for all. Furthermore, PHA has offered 20% of its shareholdings to the government of Papua New Guinea.

We have performed various consultations with the government, public servants, other insurance companies, brokers, health service providers as well as union leaders in designing our Scheme. This resulted to a scheme that will provide access for all our members to cash-less healthcare services through our network of provider hospitals and medical clinics **subject to its specified annual limit/sub-limits. These limits are based on members' respective salary ranges and are designed to suit the needs of all our members.** All payable benefits are limited to the actual, necessary, customary and reasonable expenses. The main objective of PHA is to provide affordable and quality cash-less healthcare. Any excess to the members' annual limits can be carry forward to the succeeding year, on a case by case basis, alleviating our members and their relatives the added stress of sourcing for funds to settle their medical bills.

PHA has not released an official list of our partner medical clinics and hospitals in Papua New Guinea in any newspapers or brochures. The objective is to partner with all reputable medical providers and hospitals in Papua New Guinea to create a network and access for all our members. PHA has signed agreements with a number of medical clinics and hospitals across PNG and more are expected to sign agreements in the next few days. The agreements underline a rigorous enrolment process including an annual review of these health care providers to ensure that all members receive quality treatment across PNG.

Best practice in insurance observes that **insurance companies insure themselves through reinsurance and we have partnered with AXA, the biggest insurance company globally, as our reinsurer.** This further ensures that PHA has enough funds to settle all of our members' claims.

Finally, **PHA is a legal & legitimate entity that has been granted permission by the IPA to conduct business in PNG.** In addition, **PHA has satisfied all the necessary requirements of PNG's Insurance Commission resulting in being granted a General Insurance License.** We are an insurance company in PNG at the center of a structured insurance ecosystem with renowned international partners, providing affordable and comprehensive healthcare insurance to everyone.

PHA is in the **business of insurance and risk management and will utilize the revenue to be earned to settle claims from our members and pay for our operating costs.** The statement mentioned in the newspapers that this revenue is free money is baseless and has no foundation. Furthermore, the amount of premium

revenue stated in the newspapers, at 300 million Kina per year, is inaccurate and has no basis.

We are inviting all Papua New Guineans including stakeholders, government workers, medical clinics, hospitals, medical practitioners to have a dialogue with us and discuss our Scheme for better understanding, we are also open for suggestions in improving our Scheme.

PHA has not and has no intention to mislead the public. Our mission is to provide insurance protection and peace of mind to all our members. We aim to deliver innovation and excellence in our products and services. In all we do, we are dedicated to going above and beyond what is expected. We have a vision to attract and retain the very best local and expatriate employees and partner with the best agents, claims handlers and reinsurers to help us achieve this goal.

We are and always will live by our tag line, Your Protection, Our Guarantee.

Sincerely,

Chairman

PNG Health Assurance Company Limited



PREVIOUS

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PNG Health Assurance Company Ltd.

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