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Consumer Council of Fiji



[www.consumersfiji.org](http://www.consumersfiji.org)



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PRESS RELEASE

### **Calls for Urgent Reform of Health Insurance Practices in Fiji**

Following growing concerns about the reimbursement-based health insurance model, the Consumer Council of Fiji is urging the immediate reform of health insurance practices across the nation. This call comes in response to complaints from consumers about the unfair policies of leading insurance providers, which require customers to pay upfront for medical treatments and later seek reimbursement.

A recent analysis conducted by the Council has revealed that the reimbursement model used by leading health insurance providers in Fiji places consumers under significant financial stress, particularly during emergencies or when ongoing treatments are required. Despite having comprehensive health insurance policies, consumers are being forced to cover medical costs out of pocket before receiving any assistance from their insurers.

“Insurance should ease, not exacerbate, financial stress,” said Consumer Council CEO Seema Shandil while responding to the issues raised by consumers. “It is unacceptable that insured individuals, many of whom are paying significant premiums, are still being asked to cover large medical bills on their own before waiting weeks or months to be reimbursed,” the CEO stated. “This practice defeats the very purpose of having insurance. Consumers should not have to choose between their health and financial stability.”

One of the major points of contention involves major private hospitals, where health insurance policyholders are reportedly asked to pay upfront for services, despite the hospitals being part of network of approved providers. This lack of transparency and service is damaging consumer trust, especially given that these insurance companies often boast about their financial success while neglecting to address basic consumer needs.

The Consumer Council’s research has drawn comparisons between Fiji’s health insurance providers and global best practices. In countries like Australia and New Zealand, direct billing systems are the norm, allowing insurers to pay healthcare providers directly. This eliminates the need for consumers to make upfront payments, easing the financial burden and ensuring access to healthcare without delay. The Council’s study highlights the need for a more comprehensive direct billing system that mirrors international standards, where insurers settle bills directly with healthcare providers across a wide network.

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“If Fijians are required to have \$2,000 to \$5,000 on hand to pay healthcare providers upfront, it raises the question of why they should bother paying costly premiums at all. For many middle-income families who choose health insurance, living paycheck to paycheck is already a challenge. These households simply cannot afford the burden of upfront medical costs, especially when managing the already high cost of living. If this system persists, we would advise reconsidering health insurance altogether and instead focusing on saving directly for hospital expenses,” adds Ms Shandil.

The Consumer Council urges insurance providers to transition from the current reimbursement-based model to a full direct billing arrangement, similar to systems in Australia and New Zealand. This change would ensure consumers can access medical care without having to make stressful upfront payments, with insurers managing the payments directly with healthcare providers. A transition to a direct billing system would align Fiji’s healthcare system with international best practices and provide immediate relief for consumers who are currently struggling under the reimbursement model.

Insurers also need to improve communication and transparency, providing clear information about policy details, including co-payment requirements and exclusions, and notifying consumers of any policy changes in advance.

The CCoF will be having discussions with the relevant insurance providers and government agencies to prioritize these reforms and create a more consumer-friendly healthcare system. Consumers who face issues with their insurance providers are encouraged to report their concerns via the toll-free National Consumer Helpline 155 or via [complaints@consumersfiji.org](mailto:complaints@consumersfiji.org).

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