

Quarterly statistical summary: September 2018

This statistical supplement sets out key health insurance statistics for lives covered, claims and premiums over the previous quarter and 12 month period, together with commentary on changes and underlying trends.

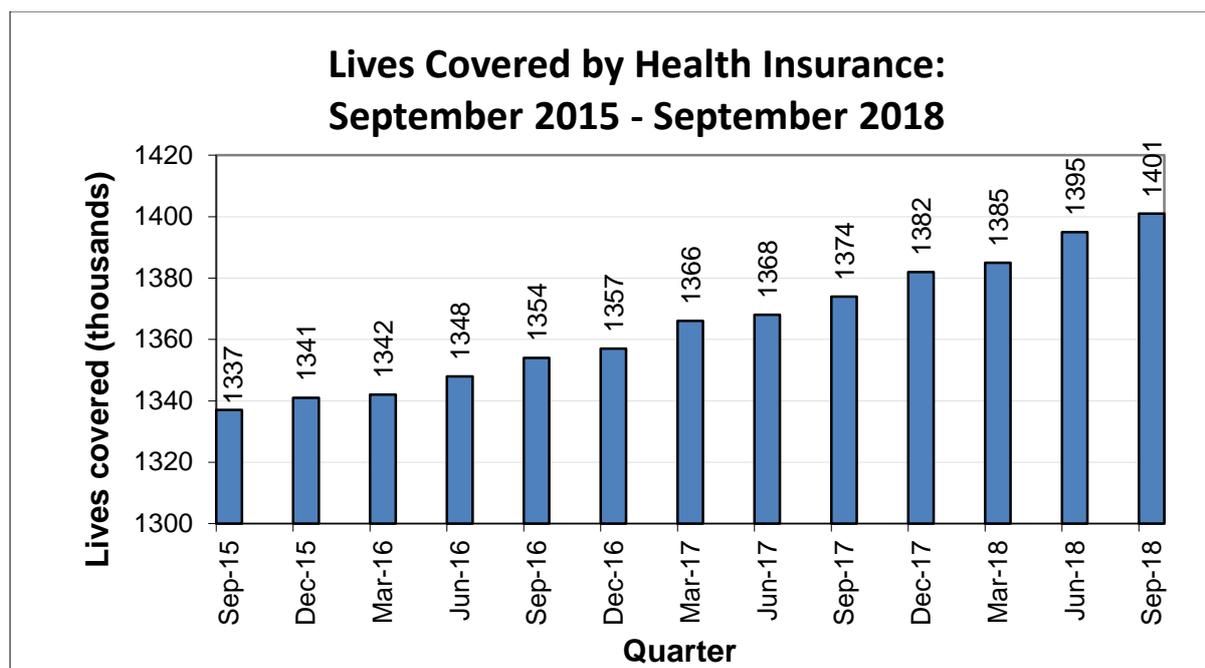
Headline changes

- ▲ Lives covered up 5900 (0.4 percent) for the quarter; up 26,500 or 1.9 percent for the year;
- ▲ Premium income of \$391 million for the quarter, up \$8 million on June quarter; annual premium \$1.516 billion, up \$105 million (7.4 percent) on September 2017 year;
- ▲ Claims paid for quarter of \$342 million, up 6.7 percent on previous September 2017 quarter; annual claims paid for September year of \$1.263 billion up \$89 million (7.6 percent) on September 2017 year claims.

Lives covered

There was an increase of 5900 lives covered over the September 2018 quarter. Total lives covered as at 30 September 2018 stood at 1.401 million. On an annual basis, lives covered have increased by 26,500 or 1.9 percent for the year ending September 2018. This is the fourteenth straight quarterly increase in lives covered, with 2017-18 showing the strongest growth in lives covered since 2001.

PHI uptake has been boosted by the continued growth in employment levels and an increase in the number of people opting for health insurance cover which is partly funded by their employer.



Changes in lives covered by age-group

The table below gives a breakdown of the changes in lives covered over the past year by age group.

Age	Sep 2017	Sep 2018	Change	Percent
0-4	61,264	61,324	60	0.1%
5-9	83,716	84,494	778	0.9%
10-14	85,588	87,473	1,885	2.2%
15-19	84,047	84,902	855	1.0%
20-24	77,478	78,129	651	0.8%
25-29	79,765	82,861	3,096	3.9%
30-34	91,454	95,491	4,037	4.4%
35-39	99,009	102,884	3,875	3.9%
40-44	108,090	107,838	-252	-0.2%
45-49	120,203	121,542	1,339	1.1%
50-54	117,833	118,327	494	0.4%
55-59	112,950	115,720	2,770	2.5%
60-64	92,491	94,941	2,450	2.6%
65-69	67,681	68,377	696	1.0%
70-74	41,968	44,712	2,744	6.5%
75-79	26,201	26,755	554	2.1%
80-84	13,560	14,066	506	3.7%
85-89	7,629	7,563	-66	-0.9%
90+	3,228	3,286	58	1.8%
Total	1,374,156	1,400,686	26,530	1.9%

Increase in working-age population with health insurance

Most of the annual growth in lives covered has come from the working age population, as interest continues to grow in employer-subsidised health insurance for staff. As well as general employment growth, numbers were boosted in the year by increased availability of employer-subsidised health insurance as part of a broader focus on wellness in the workplace.

△ *Around 18,500 of the 26,500 additional lives covered were in the 20-64 age group, with almost half (11,000) being aged 25-39.*

Employers and employees are increasingly aware of their workplace health and safety responsibilities, and there is an increased interest now on the health perspective, not only on how the workplace affects employee health but the impact of employee health on the workplace, such as through productivity and absenteeism. Health insurance is increasingly seen as having a role as part of a broader focus on wellness in the workplace.

Premium income

Premium income for the September 2018 quarter totalled \$391 million – up by \$8 million on the June quarter. Annual premium for the year ended 30 September 2018 was \$1.516 billion, up 7.4 percent or \$105 million on premium income for the September 2017 year.

Claims paid

Claims paid for the September 2018 quarter were \$342 million up 6.7 percent on the previous September 2017 quarter. Total claims paid for the 12 months ending 30 September 2018 were \$1.263 billion, up 7.6 percent – or \$89 million – on September 2017 year claims.

Annual claims paid have effectively doubled over the past decade, as people have accessed both a greater volume and a wider range of services and treatments through health insurance.

The growth in healthcare claims paid has been reflected in the growth in premiums over the same period. While claims costs can demonstrate a little more volatility, premium adjustments tend to be smoother, with the increase in both being very similar over time.

