

## Quarterly statistical summary: March 2016

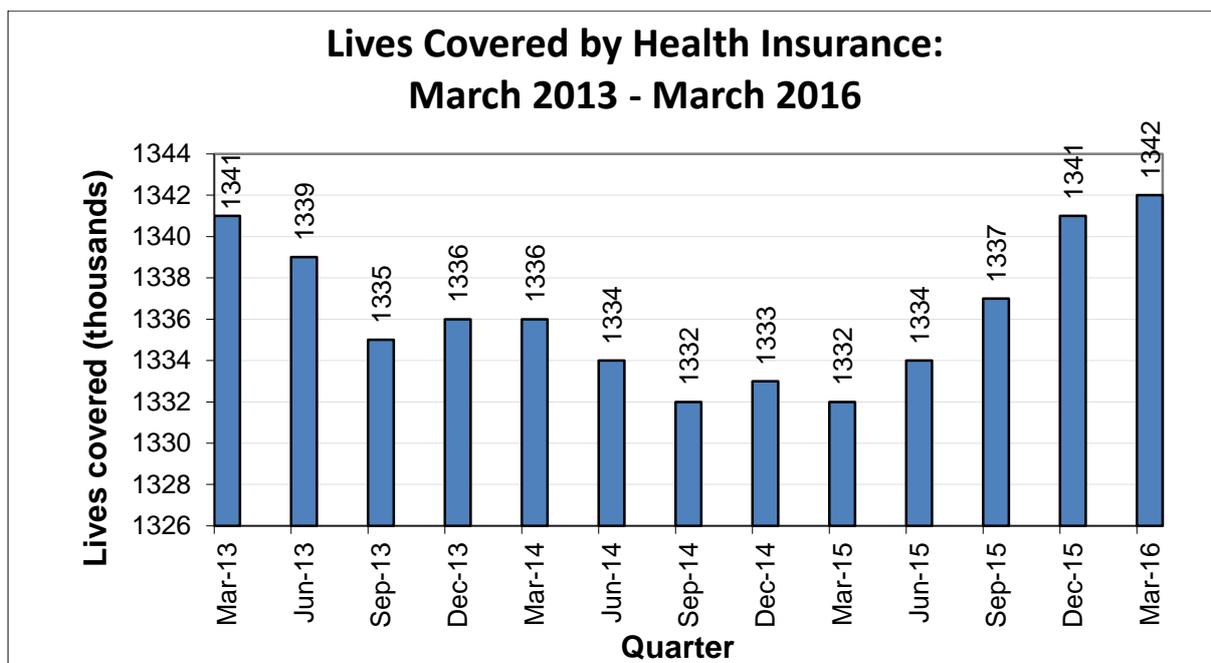
This statistical supplement sets out key health insurance statistics for lives covered, claims and premiums over the previous quarter and 12 month period, together with commentary on changes and underlying trends.

### Headline changes

- △ Lives covered up 300 (less than 0.1 percent) for the quarter; up 9,900 or 0.7 percent for the year;
- △ Premium income of \$329 million for the quarter, down \$1m (less than 0.1 percent) on December quarter; annual premium \$1.297 billion, up 5.9 percent on March 2015 year;
- △ Claims paid for quarter of \$245 million, up 7.0 percent on previous March 2015 quarter; annual claims paid for March year of \$1054 million up 5.4 percent on March 2015 year claims.

### Lives covered

The change in lives covered was an increase of just 300 lives covered over the March quarter. Total lives covered as at 31 March 2016 stood at 1.342 million. On an annual basis, lives covered have increased by 9,900 or 0.7 percent for the year ending March 2016. This marks the first full year of quarter on quarter growth in lives covered since 2008.



## Elective Surgical vs Comprehensive

Over the 2016 year, the trend towards elective surgical cover continued. While there was a net increase of 9,900 lives covered, this comprised the following changes:

- Comprehensive policies – lives covered: -6,650
- Elective surgical and specialist policies – lives covered: +16,450

Elective surgical and specialist policies now account for 68.3% of all lives covered.

## 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.

Of note is the significant increase of almost 7000 lives covered in the younger 25-35 age group, possibly attributable to the popularity of a newer category of minor medical health insurance products which have found favour with this younger demographic. The ageing population has again meant an increase in lives covered in the over 65 age group – up by almost 3500 lives covered (+2.4 percent) to 153,900 lives covered.

*Table: Change in lives covered by Age: March 2016 year*

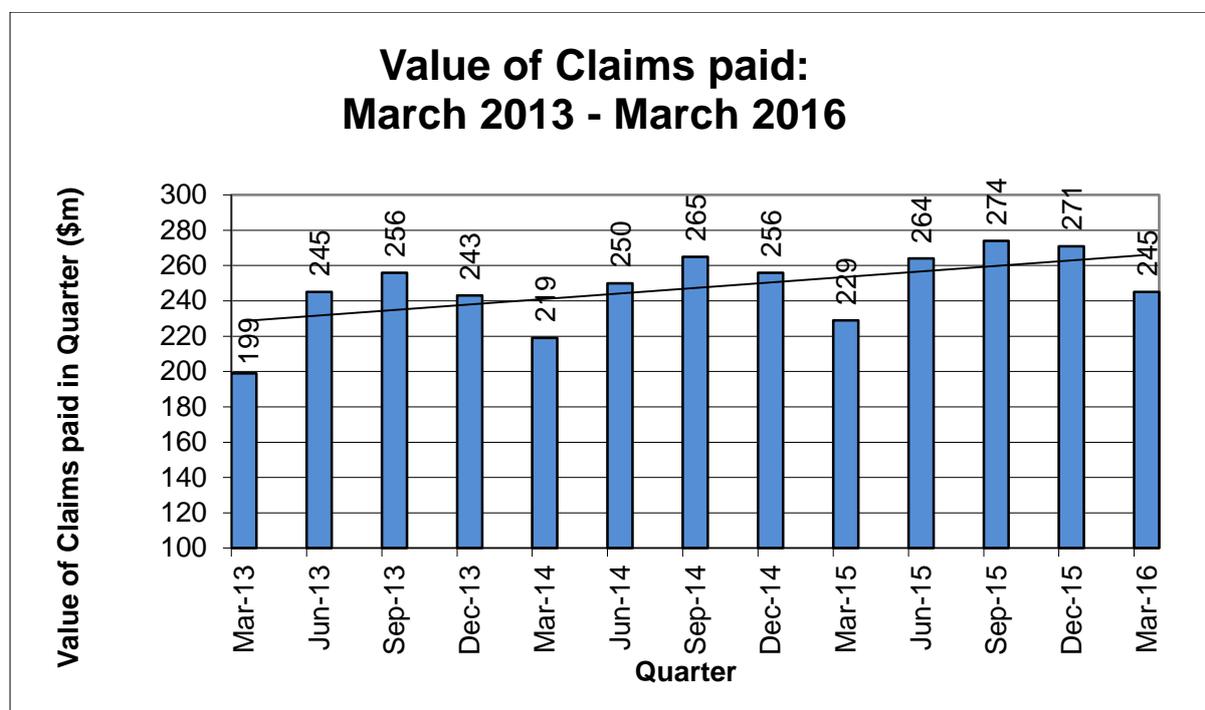
age	Mar 2015	Mar 2016	Diff	percent
0-4	61,863	60,074	-1,789	-2.9%
5-9	83,124	83,427	303	0.4%
10-14	82,828	82,918	90	0.1%
15-19	84,902	84,401	-501	-0.6%
20-24	76,778	76,789	11	0.0%
25-29	69,353	73,604	4,251	6.1%
30-34	83,159	85,781	2,622	3.2%
35-39	92,664	93,911	1,247	1.3%
40-44	112,332	110,139	-2,193	-2.0%
45-49	115,659	117,109	1,450	1.3%
50-54	119,527	118,925	-602	-0.5%
55-59	108,463	109,765	1,302	1.2%
60-64	90,769	90,921	152	0.2%
65-69	66,428	67,468	1,040	1.6%
70-74	38,344	39,045	701	1.8%
75-79	22,098	23,691	1,593	7.2%
80-84	13,290	13,235	-55	-0.4%
85-89	7,400	7,557	157	2.1%
90+	2,820	2,926	106	3.8%
<b>total</b>	<b>1,331,804</b>	<b>1,341,687</b>	<b>9,883</b>	<b>0.7%</b>

## Premium income

Premium income for the March 2016 quarter totalled \$329 million – virtually unchanged from the \$329 million recorded for the December 2015 quarter. Annual premium for the year ended 31 March 2016 was \$1.297 billion, up 5.9 percent or \$73m on premium income for the March 2015 year.

## Claims paid

Claims paid for the March 2016 quarter were \$245 million, up 7.0 percent on the previous March 2015 quarter. Total claims paid for the 12 months ending 31 March 2016 were \$1054 million, up 5.4 percent on March 2015 year claims.



The strong growth in claims paid recorded over recent quarters has seen annual claims paid surpass the \$1 billion mark in 2015. Annual claims for the March 2016 year at \$1.054 billion are almost double what they were a decade ago. This underpins the valuable contribution health insurance makes to healthcare funding in New Zealand.

