



STATISTICS

Quarterly private health insurance statistics

September 2021 (released 24 November 2021)

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Forthcoming issues

This publication will be released according to the timetable published on the APRA website.

Revisions

This publication will include revisions to previously published statistics if better source data becomes available or if compilation errors are uncovered.

APRA regularly analyses past revisions to identify potential improvements to the source data and statistical compilation techniques, in order to minimise the frequency and scale of any future revisions.

Rounding

Details on tables may not add up to totals due to rounding of figures.

Enquiries

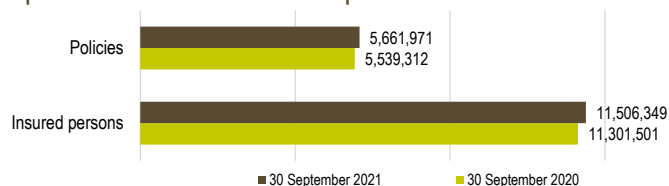
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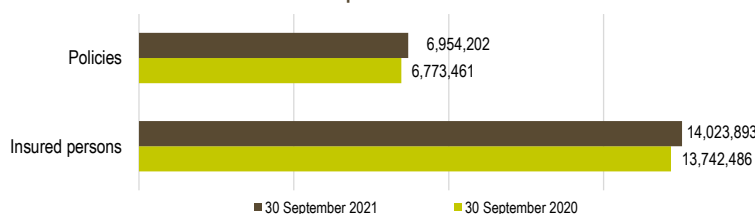
Key metrics

Hospital treatment membership



44.7% of population at 30 September 2021
 ↑ **0.2%** percentage points from 30 Jun 2021
 ↑ **63,765** insured persons over the quarter

General treatment membership



54.5% of population at 30 September 2021
 ↑ **0.3%** percentage points from 30 Jun 2021
 ↑ **71,637** insured persons over the quarter

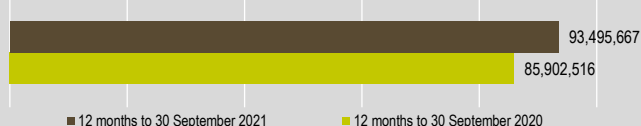
Hospital treatment episodes

↑ **6.8%** over the 12 months to September 2021
 ↑ **1.8%** compared to the June 2021 quarter

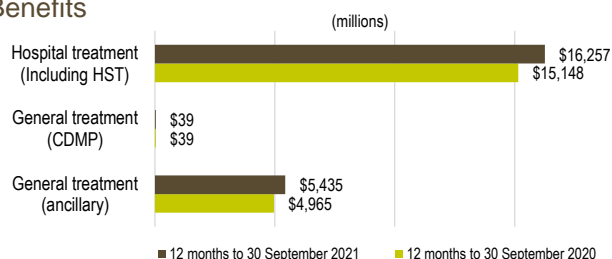


General treatment services (ancillary)

↑ **8.8%** over the 12 months to September 2021
 ↓ **-17.3%** compared to the June 2021 quarter



Benefits

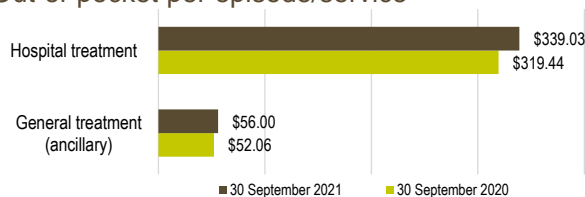


↑ **7.3%** over the 12 months to September 2021
 ↑ **8.2%** compared to the September 2020 quarter

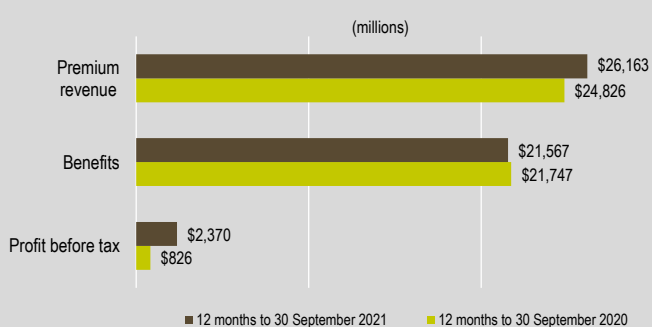
↑ **9.5%** over the 12 months to September 2021
 ↓ **-13.1%** compared to the September 2020 quarter

Out-of-pocket per episode/service

↑ **6.1%** over the 12 months to September 2021
 ↑ **7.6%** over the 12 months to September 2021



Financial



↑ **5.4%** over the 12 months to September 2021

↓ **-0.8%** over the 12 months to September 2021

↑ **186.8%** over the 12 months to September 2021

Membership and coverage

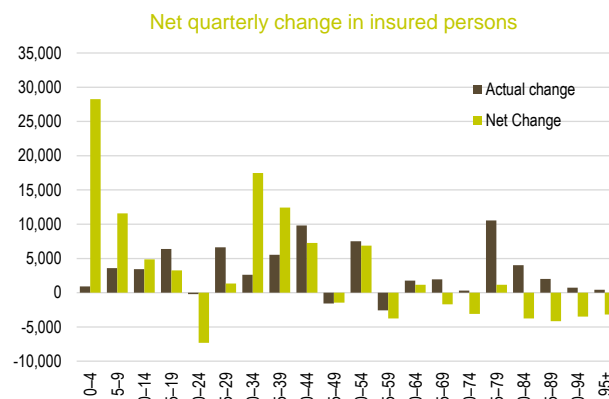
as at 30 September 2021

Hospital Treatment

At 30 September 2021, 11,506,349 people, or 44.7% of the population, were covered by hospital treatment cover. There was a slight increase compared to June 2021.

There was an increase in coverage of 63,765 insured people in the September 2021 quarter compared to June 2021. Family policies increased by 5,159 and single policies by 22,828 during the quarter.

The largest increase in coverage during the quarter was 10,557 for people aged between 75 and 79. The largest net increase (taking into account movement between age groups) was for the 0-4 with an increase of 28,262 people.



Lifetime health cover

The majority of adults with hospital cover (89.3%) have a certified age of entry of 30, with no penalty loading.

At the end of the 30 September 2021 quarter, there were 895,116 people with a certified age of entry of more than 30 and subject to a Lifetime Health Cover loading; a net increasing in people paying a penalty over the preceding 12 months of 16,451. There was a net increase in people with a certified age of entry of 30 (with no penalty) over the year of 148,373. Over the year, 125,946 people had their loading removed after paying a loading for ten years.



Hospital treatment tables

Aust.	44.7%	55.3%	Aust.	5,552,075	5,954,274	Aust.	48.7%	51.3%
NSW	46.0%	54.0%	NSW	1,821,126	1,944,166	NSW	48.6%	51.4%
VIC	41.6%	58.4%	VIC	1,322,033	1,430,857	VIC	50.8%	49.2%
QLD	41.0%	59.0%	QLD	1,028,494	1,113,884	QLD	46.9%	53.1%
SA	45.0%	55.0%	SA	381,129	415,799	SA	49.0%	51.0%
WA	55.1%	44.9%	WA	726,965	752,190	WA	47.0%	53.0%
TAS	42.7%	57.3%	TAS	109,523	122,113	TAS	49.1%	50.9%
ACT	55.7%	44.3%	ACT	115,200	125,489	ACT	48.9%	51.1%
NT	39.3%	60.7%	NT	47,605	49,776	NT	48.3%	51.7%

■ Insured persons ■ Non insured persons
■ Male ■ Female
■ Single policies ■ Family policies

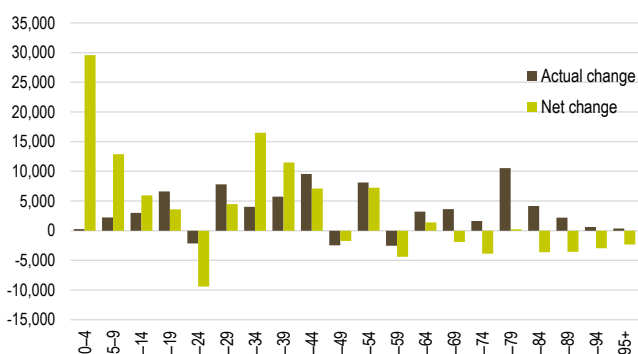
General Treatment

At 30 September 2021, 14,023,893 people or 54.5% of the population had some form of general treatment cover. There was an increase of 71,637 people when compared to the June quarter. There was an increase of General Treatment policies of 46,150 for September 2021 which was mainly driven by Single Policies which increased by 28,667. For the 12 months to 30 September 2021, the number of insured persons with general treatment cover has increased by 281,407.

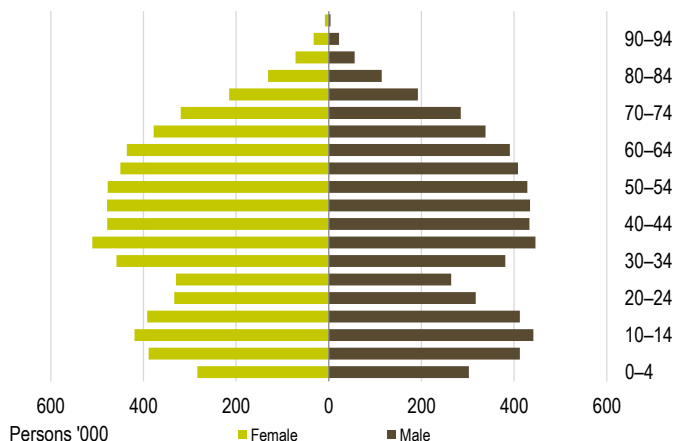
The general treatment (ancillary) by age charts and data in this report show data for those people that have general treatment policies covering ancillary services, regardless of other treatment included in the product. This excludes those general treatment policies that do not cover ancillary treatment.

There was an increase of 66,630 people with general treatment (ancillary) coverage in the September 2021. The largest net increase in coverage, after accounting for movements across age groups, was 29,560 for people in the 0 to 4 age group.

Net quarterly change in insured persons (ancillary)



Number of persons insured by age (ancillary)



General treatment tables (ancillary)

Insured persons		Not insured persons		Male		Female		Single policies		Family policies	
Aust.	54.5%	45.5%	Aust.	6,083,466	6,592,434	Aust.	49.8%	50.2%			
NSW	56.7%	43.3%	NSW	2,031,054	2,176,503	NSW	49.2%	50.8%			
VIC	49.0%	51.0%	VIC	1,317,106	1,435,277	VIC	51.8%	48.2%			
QLD	47.9%	52.1%	QLD	1,085,811	1,199,712	QLD	48.7%	51.3%			
SA	60.0%	40.0%	SA	471,265	520,506	SA	50.2%	49.8%			
WA	70.6%	29.4%	WA	886,672	937,899	WA	49.0%	51.0%			
TAS	50.6%	49.4%	TAS	118,456	134,041	TAS	50.8%	49.2%			
ACT	68.4%	31.6%	ACT	123,771	136,038	ACT	50.0%	50.0%			
NT	44.1%	55.9%	NT	49,331	52,458	NT	49.5%	50.5%			

Benefits Paid

Hospital treatment

Benefits per episode/service

	September 2021	Change from June 2021
Hospital Treatment		
Acute	\$2,401	-1.7%
Medical	\$65	3.3%
Prostheses	\$661	-2.2%
Cardiac	\$3,834	0.8%
Hip	\$1,695	1.7%
Knee	\$1,738	-0.4%
Total benefits and growth rate		
Hospital	\$4,215,745,940	0.0%
General	\$1,140,478,298	-16.4%

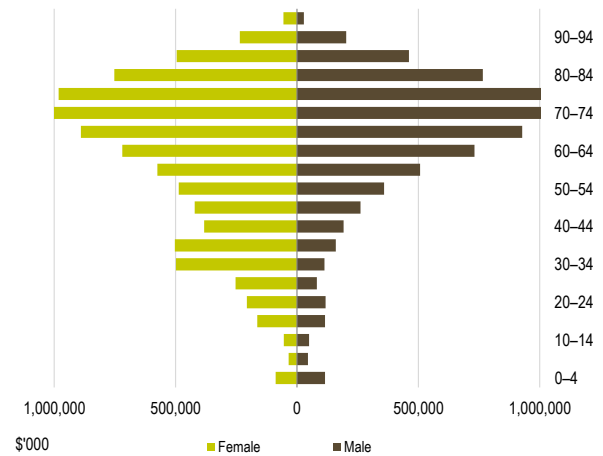
During the September 2021 quarter, insurers paid \$4,216 million in hospital treatment benefits, which was largely in line with the June 2021 quarter. Hospital treatment benefits were comprised of:

- ◇ \$2,986 million for hospital services such as accommodation and nursing
- ◇ \$652 million for medical services
- ◇ \$579 million for prostheses items.

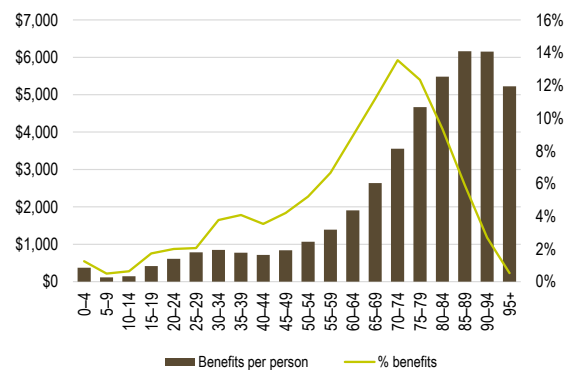
The age group for which most hospital benefits are paid is between 60 and 84 (top chart). Total benefits by age group is affected by the average benefits paid per person (displayed in the second chart) and the number of people in each age group.

Average hospital benefits per person increased from \$1,340.34 for the year ending September 2020 to \$1,412.84 for the year ending September 2021. The largest amount of benefits per person was spent on hospital accommodation and nursing, followed by medical and prostheses benefits.

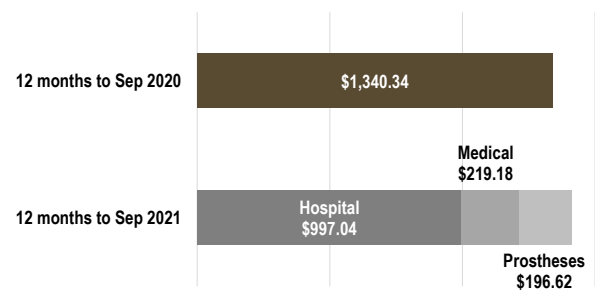
Hospital treatment benefits paid by age 12 months to 30 September 2021



Hospital treatment benefits per person covered and percentage of benefits paid by age cohort



Hospital treatment benefits per person



General treatment

Benefits per service

	September 2021	Change from June 2021
Dental	\$67	2.4%
Chiropractic	\$32	-2.3%
Physiotherapy	\$39	0.2%
Optical	\$76	-0.6%

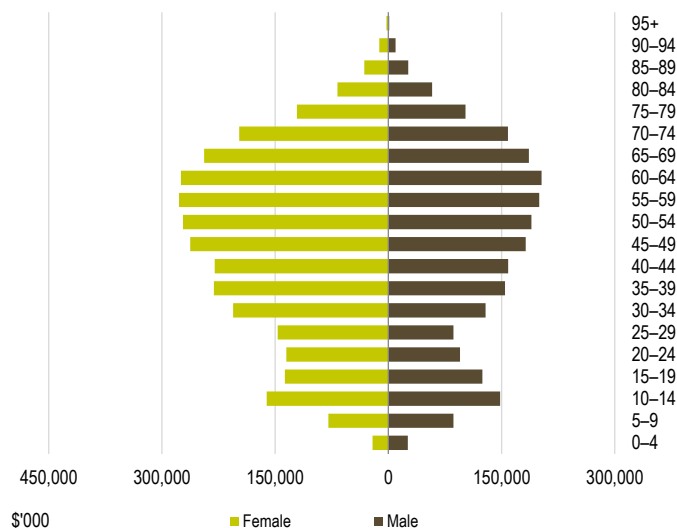
During the September 2021 quarter, insurers paid \$1,131 million in general treatment (ancillary) benefits. This was a decrease of 16.4% compared to the June 2021 quarter. Ancillary benefits for the September 2021 quarter included the major categories of:

- ◇ Dental \$617 million
- ◇ Optical \$147 million
- ◇ Physiotherapy \$107 million
- ◇ Chiropractic \$74 million.

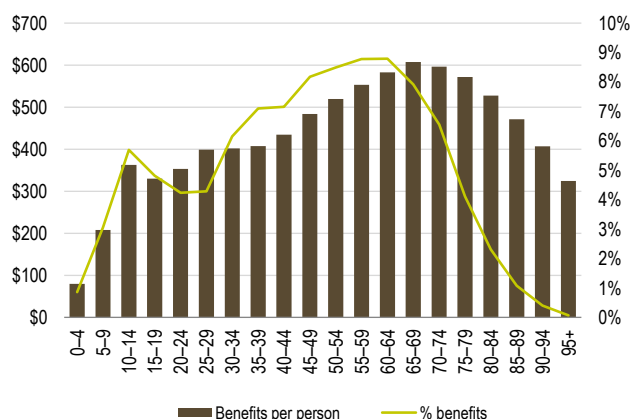
There is a marked difference between the distribution of benefits over age groups between hospital benefits and ancillary benefits. The major difference is the higher claiming rate in older age groups for hospital benefits while benefits per person for ancillary benefits are more evenly spread over the age groups.

General treatment (ancillary) benefits per person during the year to September 2020 were \$400.4 increasing to \$428.8 for the year to September 2021. The largest component of ancillary benefits is dental, for which \$229.9 was paid per insured.

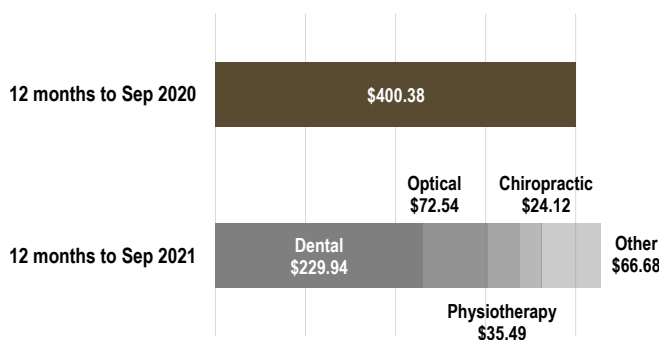
General treatment benefits paid by age 12 months to 30 September 2021 (ancillary)



General treatment benefits per person covered and percentage of benefits paid by age cohort (ancillary)



General treatment benefits per person (ancillary)



Medical benefits

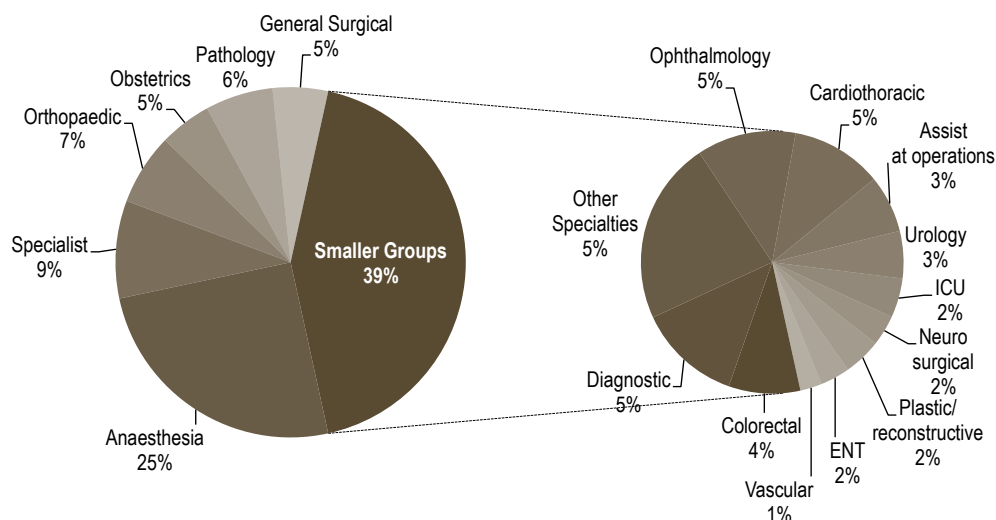
Total benefits for medical services increased 1.8% during the September quarter 2021.

The change in medical benefits paid per service was calculated over a range of medical services and does not mean medical services overall decreased or increased in cost. The average benefits paid reflects the type of medical services utilised during the quarter as well as the volume of services. The medical service for which the greatest amount of benefits was paid was anaesthetics, comprising 25.1% of all medical benefits and totalling \$163.6 million.

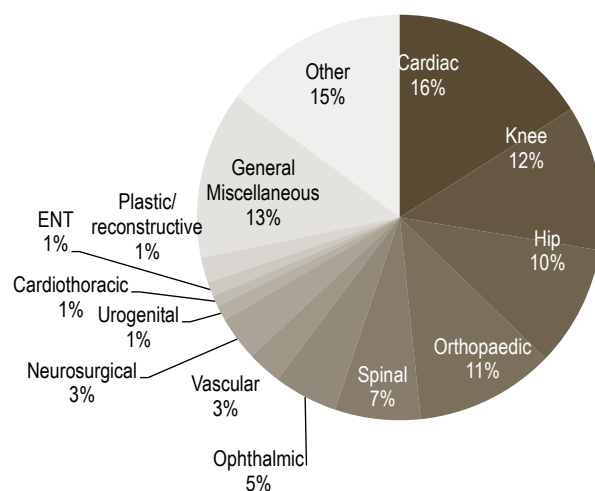
Prostheses benefits

Total benefits paid for prostheses decreased by 1.6% in September 2021 compared to June 2021. Similar to medical services, the change in benefits paid for prostheses was calculated over a range of prosthetics (see chart) and does not mean prostheses overall changed in cost. The change in benefits paid may reflect a change in the type of prosthetics utilised, or a change in the overall utilisation of prosthetics. The prosthetic group for which the greatest amount of benefits were paid was cardiac, comprising 16.0% of all prosthetic benefits and totalling \$92.8 million.

Medical benefits by Speciality group



Benefits paid for prostheses



Service utilisation

Episodes/Services by type

	September 2021	Change from June 2021
Hospital Episodes	1,243,552	1.8%
Hospital Days	3,099,149	-0.3%
Medical Services	10,058,658	-1.5%
Prostheses Items	876,215	0.7%
Specialist Orthopaedic	155,216	-4.5%
Ophthalmic	104,521	2.0%
Spinal	56,549	-5.7%
General Treatment	19,488,689	-17.3%
Dental	9,246,760	-17.8%
Chiropractic	2,281,026	-4.6%
Physiotherapy	2,776,396	-9.2%
Optical	1,930,588	-27.2%

Hospital utilisation is distributed over four categories of hospital—public, private, day only facilities and hospital-substitute. During the September 2021 quarter, hospital episodes were distributed as follows:

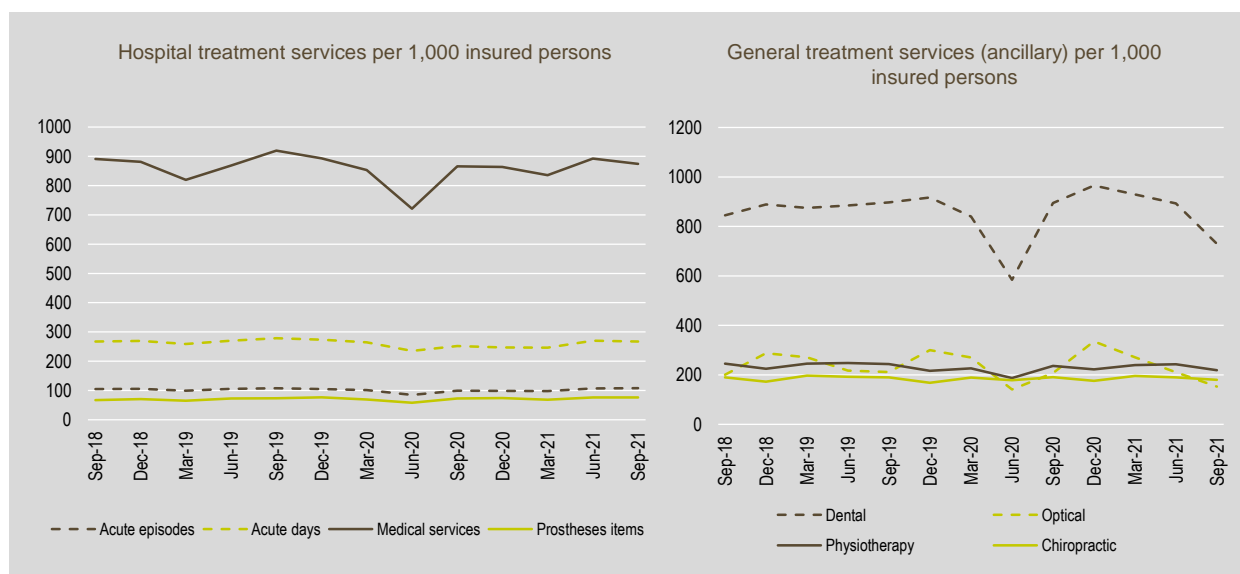
- ◇ public hospitals 182,191 episodes
- ◇ private hospitals 824,784 episodes
- ◇ day hospital facilities 170,885 episodes
- ◇ hospital substitute 65,692 episodes.

For the September 2021 quarter, hospital utilisation (measured in episodes) increased by 1.8% which was mainly driven by private hospitals.

During the September 2021 quarter, insurers paid benefits for 3.10 million days in hospital, arising from 1.24 million hospital episodes of care.

	Quarter change	Year change
◇ public hospitals	↓ -2.5%	↓ -4.9%
◇ private hospitals	↑ 1.3%	↑ 8.0%
◇ day hospital facilities	↑ 3.8%	↑ 11.9%
◇ hospital-substitute	↑ 17.0%	↑ 17.8%

Day-only episodes in the four categories of hospital totalled 860,659, with a 3.5% change compared to June 2021.



Out-of-pocket payments

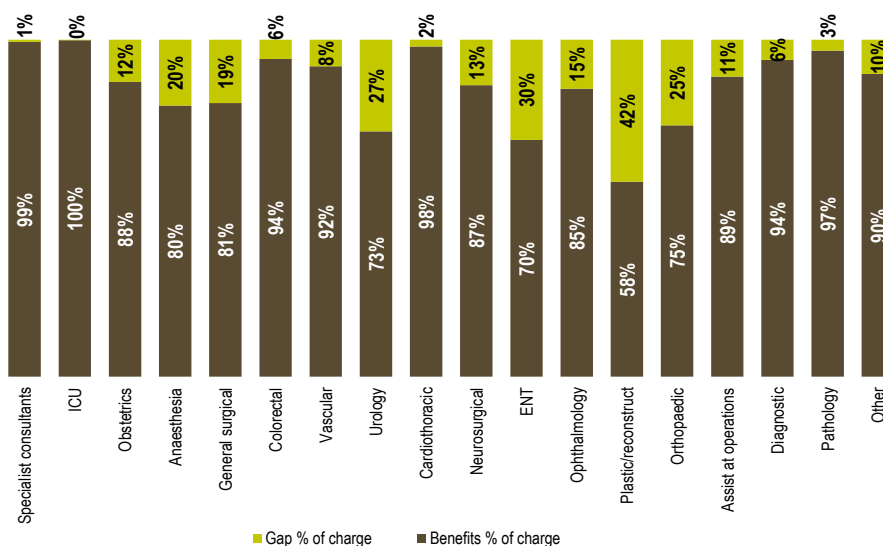
Average out-of-pocket per episode/service

	September 2021	Change from Jun 21	Change from Sep 20
Hospital treatment	\$339.03	-2.4%	6.1%
Hospital-substitute treatment	\$4.87	1.7%	-29.0%
General treatment ancillary	\$56.00	6.0%	7.6%
Medical gap where gap was paid	\$206.54	-2.0%	12.0%

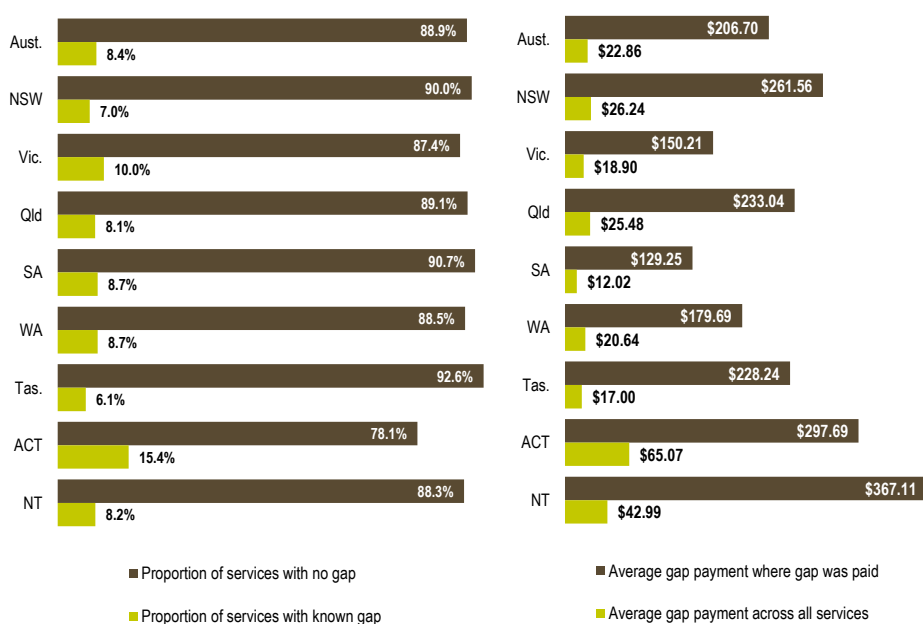
The average out-of-pocket (gap) payment for a hospital episode was \$339 in the September 2021 quarter. This included out-of-pocket payments for medical services, in addition to any excess or co-payment amounts relating to hospital accommodation.

The out-of-pocket payments for hospital episodes increased by 6.1% compared to the same quarter for the previous year. Out-of-pocket payments for medical services were \$207 where an out-of-pocket payment was payable. The amount of gap for medical services varies depending on the specialty group. The specialty group with the largest out-of-pocket payment was plastic/reconstructive with an average gap of \$491. Gap incurred for the various medical services is displayed in the first chart. Medical gap also varies by state and territory and these differences are shown in the bottom chart.

Medical benefits and out-of-pocket by specialty group



Proportion of services and average out-of-pocket payments



Financial information

Financial Performance

All Figures \$'000	12 months to September 2021	12 months to September 2020
Revenue		
HIB premium revenue	26,162,938	24,825,618
Net investment income	570,993	131,916
Net HRB revenue	-104,784	74,441
Net other operational revenue	91,168	170,997
Total revenue	26,720,314	25,202,972
Benefits		
Fund benefits	21,567,349	21,746,870
State ambulance levies	247,021	239,442
Total fund benefits	21,814,370	21,986,312
Expenses		
HIB expenses	2,038,734	1,896,921
HIB claims handling	425,765	411,335
Non-operating expenses	70,955	81,947
Total expenses	2,535,455	2,390,203
Profit of the industry		
Profit/(loss) before tax	2,370,490	826,458
Taxation expense	535,533	239,079
Profit/(loss) after tax	1,834,956	587,379
Margins		
Gross margin	16.62%	11.44%
HIB expenses	9.42%	9.30%
Net margin	7.20%	2.14%

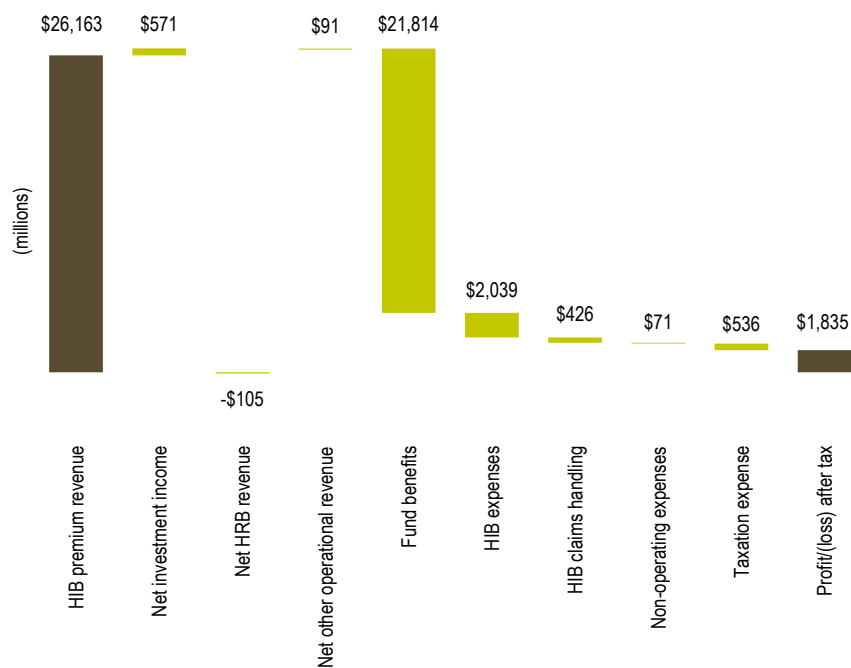
Health Insurance Business (HIB) premium revenue was up 5.4% for the year to September 2021, while total fund benefits decreased by 0.8%. Gross margin increased from 11.4% to 16.6%.

Net investment income increased from \$132 million in the year ending September 2020 to \$571 million in the year ending September 2021.

HIB expenses as a percentage of revenue increased from 9.3% to 9.4% and net margin increased from 2.1% to 7.2%.

Net profit after tax increased from \$587 million for the year ending September 2020 to \$1,835 million for the year ending September 2021.

Health Benefits Fund Profit After Tax Breakdown for 12 months to September 2021



Prudential Position

All figures \$'000	September 2021	June 2021	September 2020
Assets			
Cash	1,696,728	1,917,730	1,646,091
Investments			
Equities	2,352,120	2,262,563	1,699,582
Interest bearing assets	9,332,299	9,362,705	9,032,812
Property	779,386	773,761	729,909
Subsidiary and associated entities	239,607	282,252	282,730
Loans	177,980	34,195	29,853
Receivables	45,003	46,735	44,586
Intangibles DAC and FITBS	1,158,252	1,194,660	1,253,734
Pre-paid expenses	77,740	76,503	76,246
Other*	1,914,205	1,896,311	1,792,725
Total assets	17,773,319	17,847,415	16,588,268
Liabilities			
Unearned premium liabilities	3,036,843	3,168,511	3,004,774
Unpresented & outstanding claims	2,444,787	2,319,143	2,001,138
Other fund liabilities	1,351,882	1,489,859	1,813,096
of which: Other insurance liabilities	1,210,786	1,358,058	1,669,099
Interest bearing liabilities	6,746	5,101	4,427
Payables, provisions & other liabilities	1,244,286	1,263,574	1,242,875
Total liabilities	8,084,545	8,246,186	8,066,310
Total assets minus total liabilities	9,688,773	9,601,229	8,521,958

The industry held total assets of \$17.8 billion as at 30 September 2021.

Total assets have increased by \$1,185 million in the last 12 months.

Total liabilities reported by the industry have increased by \$18 million over the year.

Total net assets increased from \$8.5 billion in September 2020 to \$9.7 billion in September 2021.

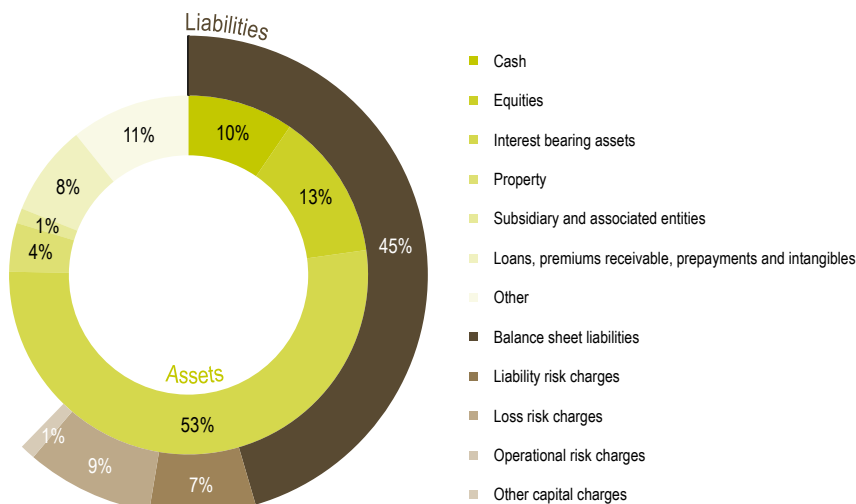
Capital Adequacy Requirement

All figures \$'000	September 2021	June 2021	September 2020
Total Liabilities	8,084,545	8,246,186	8,066,310
Liability risk charges	1,272,102	1,089,461	565,135
Loss risk charges	1,529,505	1,407,061	1,481,727
Operational risk charges	183,017	181,442	174,146
Other capital charges	17,365	51,387	77,425
Less subordinated debt	4,831	4,771	4,595
Total Capital Adequacy Requirement*	11,081,703	10,970,766	10,360,148

* includes health insurance equipment and other assets

Does not include Capital Management Policy target levels (refer to glossary)

Health Benefits Fund Assets vs Liabilities as at September 2021



Notes on statistics

Source of data

On 1 July 2015, supervisory responsibilities were transferred from the Private Health Insurance Administration Council (PHIAC) to APRA under the *Private Health Insurance (Prudential Supervision) Act 2015*.

This publication is compiled primarily from regulatory returns submitted to APRA under the *Financial Sector (Collection of Data) Act 2001* by authorised Private Health Insurance companies.

Prior to 1 July 2015, PHIAC collected data from Private Health Insurers.

The population figures used to calculate coverage are derived from:

Australian Bureau of Statistics, Australian Demographic Statistics, ABS cat no. 3101.0, ABS, Canberra.

The June 2019 quarterly release of *Australian Demographic Statistics* contains the most recent estimates of the resident populations (ERP) of Australia and the states and territories based on the results of the 2019 Census of Population and Housing held on 9 August 2016. For more information refer to the publication at the ABS website.

Net change by five year age group is the actual change adjusted for the number of people moving into the cohort and out of the cohort due to ageing. The calculation makes the simplifying assumption that the number of people are evenly distributed over each year within the five year age group.

Lifetime Health Cover is a financial loading (LHC loading) that can be payable in addition to the premium for your private health insurance hospital cover (hospital cover). LHC loadings apply only to hospital cover. The loading is 2% above the base rate for each year over the age of 30 in which the policy holder did not have private health insurance hospital cover. After ten years of paying the loading the loading is removed.

Starting from 1 April 2007, general treatment policies replaced ancillary policies. General treatment policies cover treatment similar to that previously known as ancillary (eg. dental) but can also cover hospital-substitute treatment and Chronic Disease Management Programs.

Related Publications

Quarterly publications

A number of related quarterly publications are available from:

<https://www.apra.gov.au/publications>

These include:

[Quarterly Statistics](#)

The Quarterly Statistics are principal release of statistics with summaries for the key financial and membership statistics of the Private Health Insurance industry.

[Membership Statistics](#)

A publication which details by State the number of insured persons for hospital treatment and general treatment and the proportion of the population these persons represent. The tables are shown on both a quarterly and an annual basis and include hospital treatment by age cohort.

[Medical Gap Information](#)

A publication on in-hospital medical services. The proportion of services for which there was no gap or known gap and the average gap payment are shown for each state.

[Private Health Insurance Membership and Benefits \(formerly PHIAC A\)](#)

A publication detailing by State, the membership and benefits paid by private health insurers for the period. These State reports are available both in PDF format and Excel.

[Prostheses Report](#)

A report providing data on prosthetic benefits paid by private health insurers by major prosthetic category

[Medical Services Report](#)

A report providing data on services, benefits paid and gap payments by MBS Specialty Block Groupings for medical services paid by private health insurers.

[Statistical Trends - Quarterly Statistical trends in membership and benefits paid](#)

These are two separate publications detailing trends since September 1997 in the number of insured persons and benefits paid for hospital and general treatment.

Annual publications

APRA will continue to produce an Annual Report on the Operations of the Private Health Insurance Industry. This report contains an industry overview and tables of statistics by individual fund. Current and historical versions are available at:

<https://www.apra.gov.au/publications/operations-private-health-insurers-annual-report>



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