



STATISTICS

Quarterly private health insurance statistics

March 2022 (released 25 May 2022)

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Contents

Snapshot of the industry.....	2
Membership and coverage.....	3
Benefits paid.....	5
Service utilisation.....	8
Out-of-pocket payments.....	9
Financial information.....	10
Notes on statistics.....	12
Related publications.....	13

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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

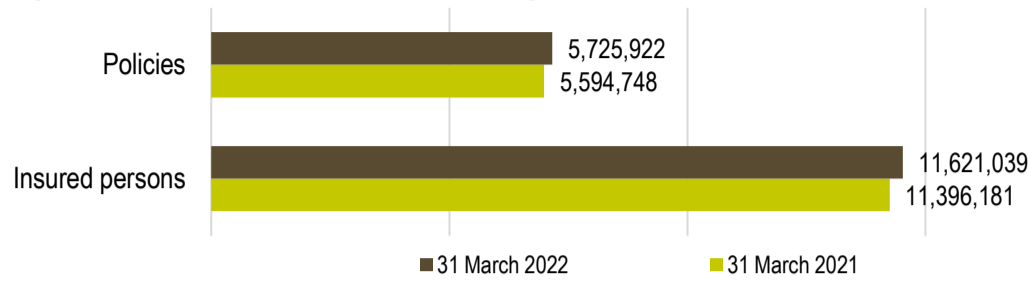
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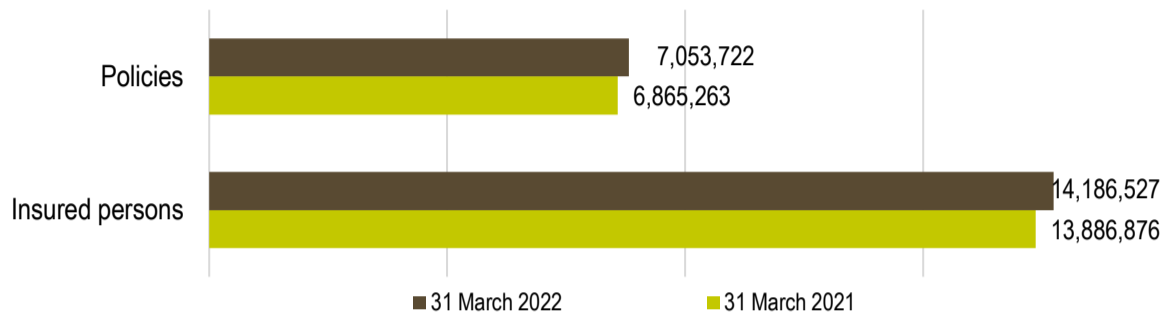
Key metrics

Hospital treatment membership



45.1% of population at 31 March 2022
 ↑ **0.2%** percentage points from 31 Dec 2021
 ↑ **56,231** insured persons over the quarter

General treatment membership

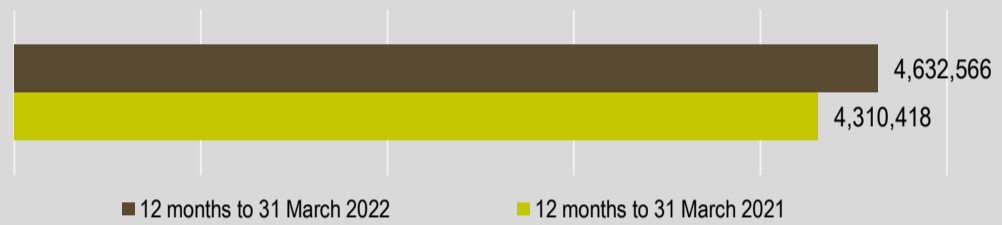


55.0% of population at 31 March 2022
 ↑ **0.3%** percentage points from 31 Dec 2021
 ↑ **83,546** insured persons over the quarter

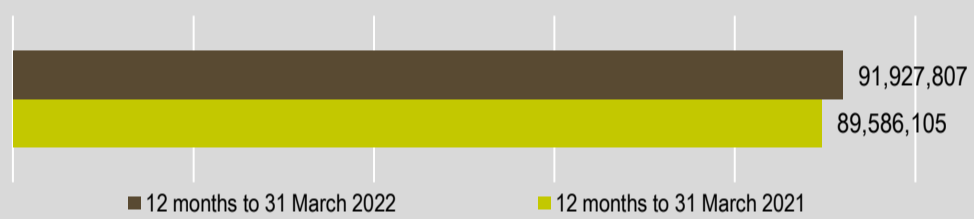
Hospital treatment episodes

↑ **7.5%** over the 12 months to March 2022
 ↓ **-13.6%** compared to the December 2021 quarter

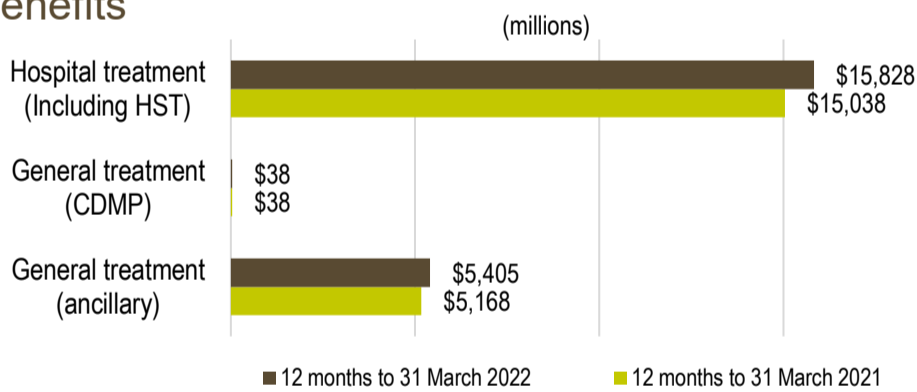
↑ **2.6%** over the 12 months to March 2022
 ↓ **-8.0%** compared to the December 2021 quarter



General treatment services (ancillary)



Benefits

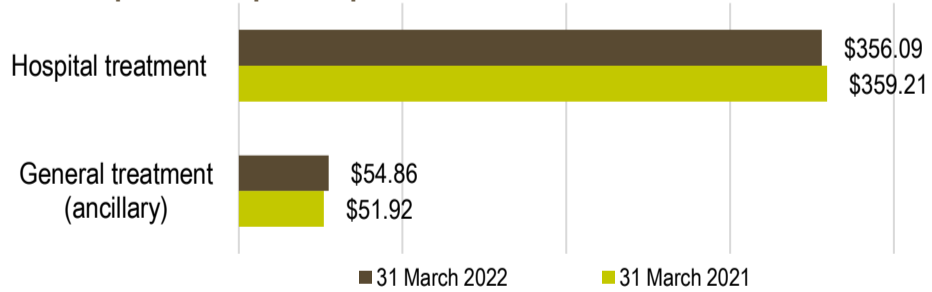


↑ **5.3%** over the 12 months to March 2022
 ↓ **-11.4%** compared to the March 2021 quarter

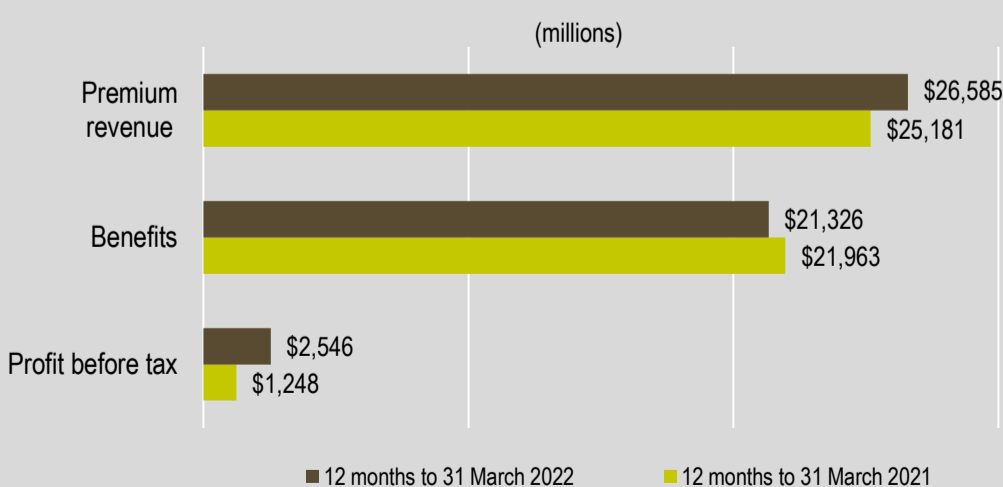
↑ **4.6%** over the 12 months to March 2022
 ↓ **-3.8%** compared to the March 2021 quarter

Out-of-pocket per episode/service

↓ **-0.9%** over the 12 months to March 2022
 ↑ **5.7%** over the 12 months to March 2022



Financial



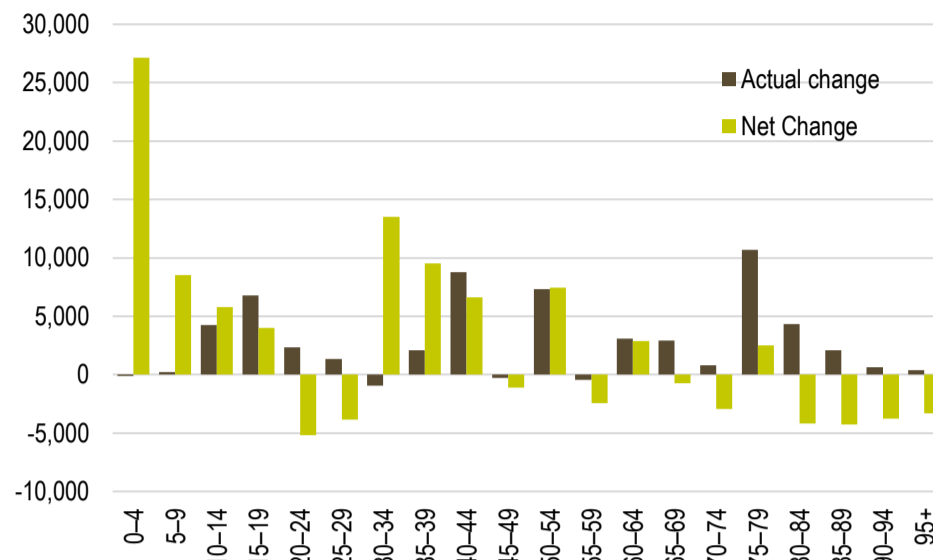
↑ **5.6%** over the 12 months to March 2022
 ↓ **-2.9%** over the 12 months to March 2022
 ↑ **104.0%** over the 12 months to March 2022

Hospital Treatment

At 31 March 2022, 11,621,039 people, or 45.1% of the population, were covered by hospital treatment cover. There was a slight increase compared to December 2021. There was an increase in coverage 56,231 insured people in the March 2022 compared to December 2021. Family policies increased by 6,011 and single policies by 18,622 during the quarter.

The largest increase in coverage during the quarter was 10,689 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 27,138 people.

Net quarterly change in insured persons

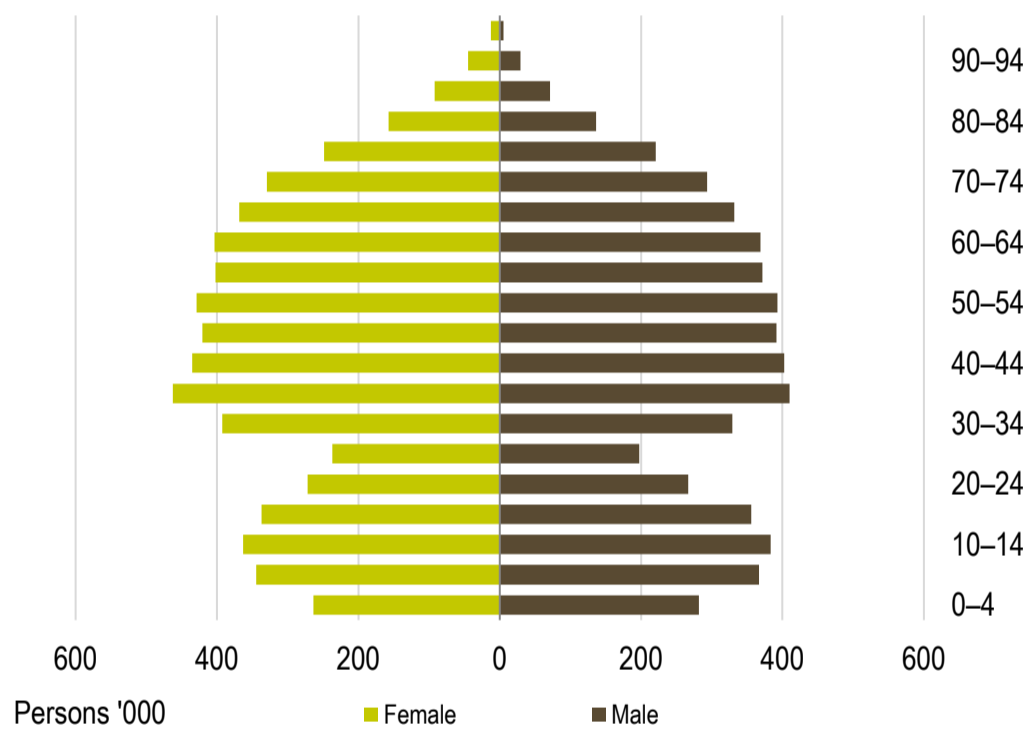


Lifetime health cover

The majority of adults with hospital cover (89.2%) have a certified age of entry of 30, with no penalty loading.

At the end of the 31 March 2022 quarter, there were 914,397 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 31,963. There was a net increase in people with a certified age of entry of 30 (with no penalty) over the year of 142,676. Over the year, 125,230 people had their loading removed after paying a loading for ten years.

Number of persons insured by age



Hospital treatment tables						
State/Territory	Insured persons (%)	Non insured persons (%)	Male	Female	Single policies (%)	Family policies (%)
Aust.	45.1%	54.9%	5,605,972	6,015,067	48.7%	51.3%
NSW	46.3%	53.7%	1,837,378	1,962,500	48.7%	51.3%
VIC	41.9%	58.1%	1,334,955	1,445,871	50.9%	49.1%
QLD	41.1%	58.9%	1,039,091	1,125,805	47.0%	53.0%
SA	45.3%	54.7%	384,173	419,330	49.3%	50.7%
WA	55.6%	44.4%	736,009	761,614	46.8%	53.2%
TAS	43.1%	56.9%	110,196	123,040	49.3%	50.7%
ACT	56.6%	43.4%	116,438	126,885	49.1%	50.9%
NT	39.8%	60.2%	47,732	50,022	48.7%	51.3%

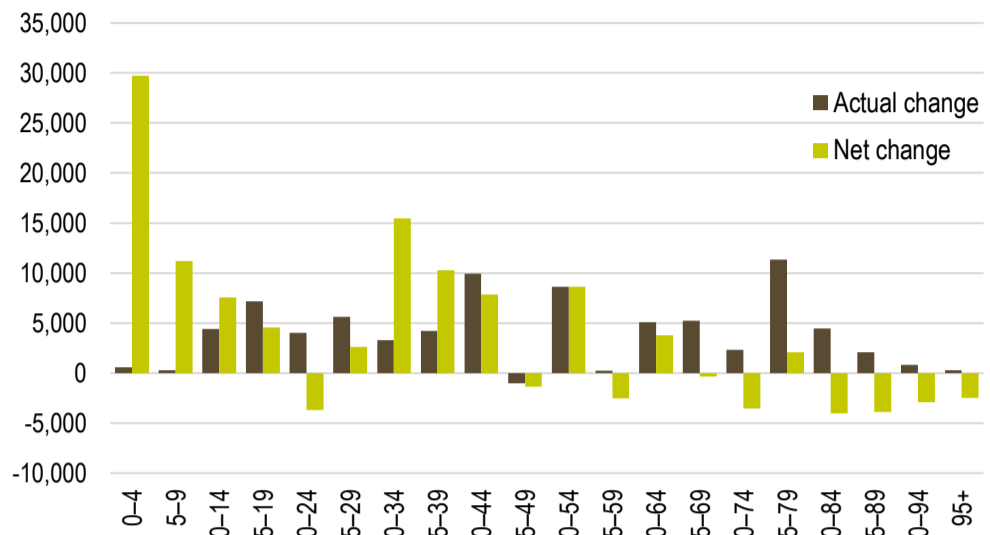
General Treatment

At 31 March 2022, 14,186,527 people or 55.0% of the population had some form of general treatment cover. There was an increase of 83,546 people when compared to the December 2021 quarter. There was an increase of General Treatment policies of 55,226 for March 2022 which was mainly driven by Single Policies which increased by 37,318. For the 12 months to 31 March 2022, the number of insured persons with general treatment cover has increased by 299,651.

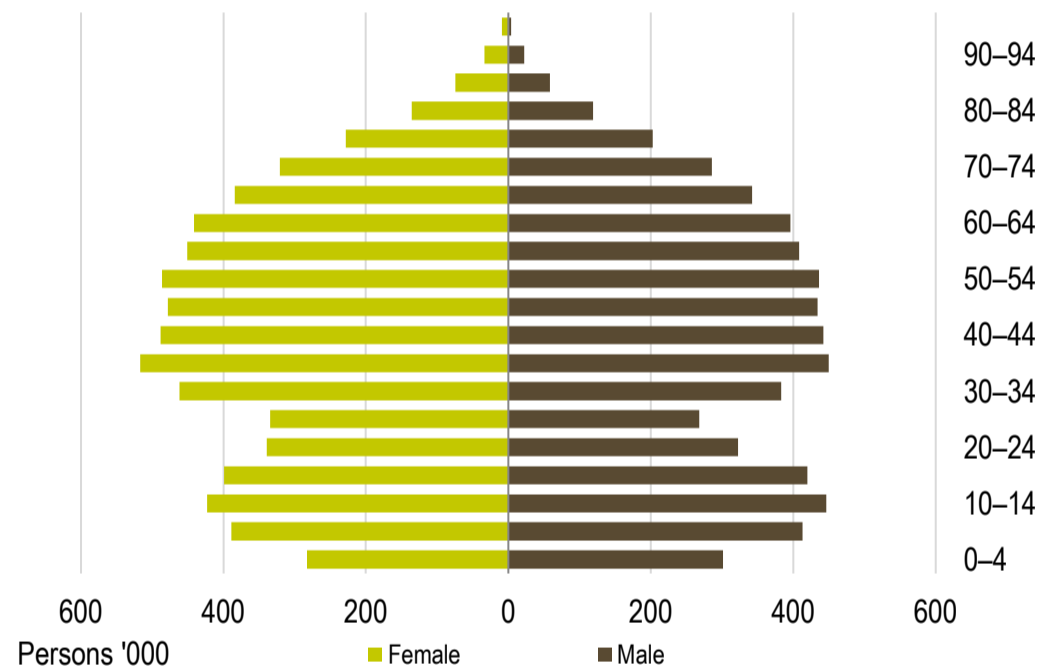
The general treatment (ancillary) by age charts and data in this report show data for those people that have general treatment policies covering ancillary services, regardless of other treatment included in the product. This excludes those general treatment policies that do not cover ancillary treatment.

There was an increase of 78,902 people with general treatment (ancillary) coverage in the March 2022. The largest net increase in coverage, after accounting for movements across age groups, was 29,737 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)

State/Territory	Insured persons (%)	Not insured persons (%)	Male	Female	Single policies (%)	Family policies (%)
Aust.	55.0%	45.0%	6,155,212	6,676,154	50.0%	50.0%
NSW	57.2%	42.8%	2,054,757	2,204,416	49.4%	50.6%
VIC	49.5%	50.5%	1,335,665	1,457,376	52.0%	48.0%
QLD	48.0%	52.0%	1,098,390	1,214,375	48.9%	51.1%
SA	60.5%	39.5%	475,167	525,144	50.5%	49.5%
WA	71.1%	28.9%	896,856	948,539	49.1%	50.9%
TAS	51.3%	48.7%	119,293	135,251	51.1%	48.9%
ACT	69.7%	30.3%	125,513	138,135	50.2%	49.8%
NT	44.7%	55.3%	49,571	52,918	50.0%	50.0%

Benefits Paid

Hospital treatment

Benefits per episode/service

	March 2022	Change from December 2021
Hospital Treatment		
Acute	\$2,417	-0.5%
Medical	\$64	-1.7%
Prostheses	\$671	-1.9%
Cardiac	\$3,668	-2.9%
Hip	\$1,706	-0.1%
Knee	\$1,728	-0.6%
Total benefits and growth rate		
Hospital	\$3,402,660,523	-14.8%
General	\$1,432,489,214	-4.9%

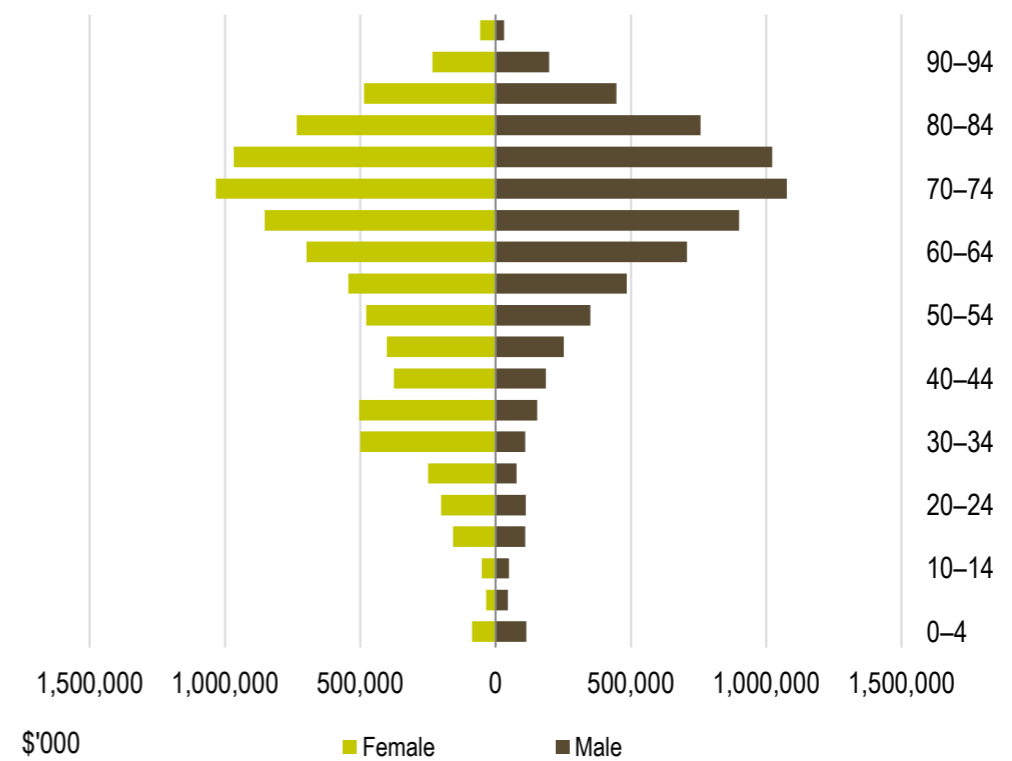
During the March 2022 quarter, insurers paid \$3,403 million in hospital treatment benefits, which was 14.8% lower compared to the December 2021 quarter. Hospital treatment benefits were comprised of:

- ◇ \$2,428 million for hospital services such as accommodation and nursing
- ◇ \$511 million for medical services
- ◇ \$463 million for prostheses items.

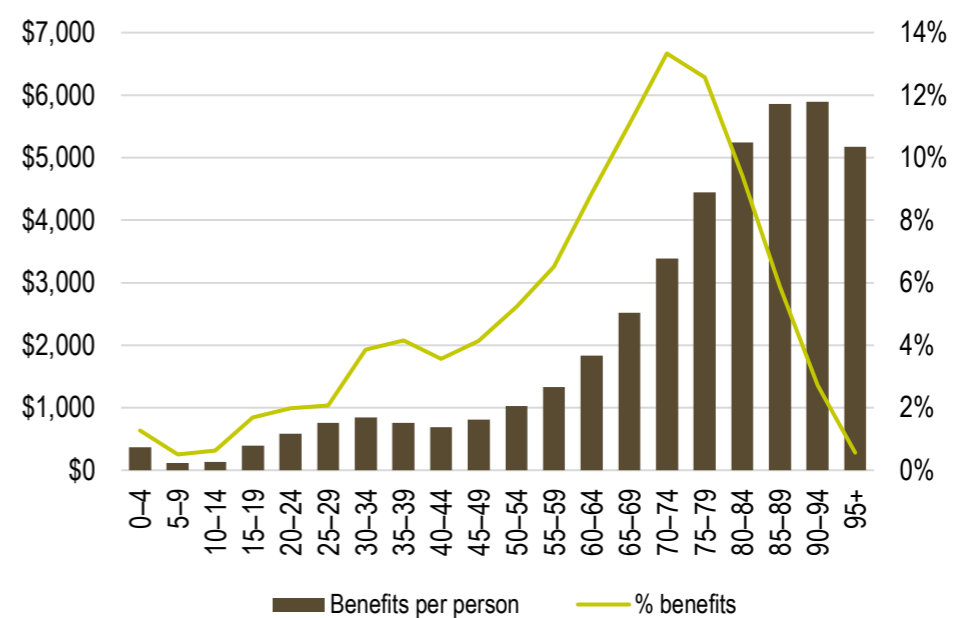
The age group for which most hospital benefits are paid is between 60 and 84 (top chart). Total benefits by age group is affected by the average benefits paid per person (displayed in the second chart) and the number of people in each age group.

Average hospital benefits per person increased from \$1,319.59 for the year ending March 2021 to \$1,362.02 for the year ending March 2022. The largest amount of benefits per person was spent on hospital accommodation and nursing, followed by medical and prostheses benefits.

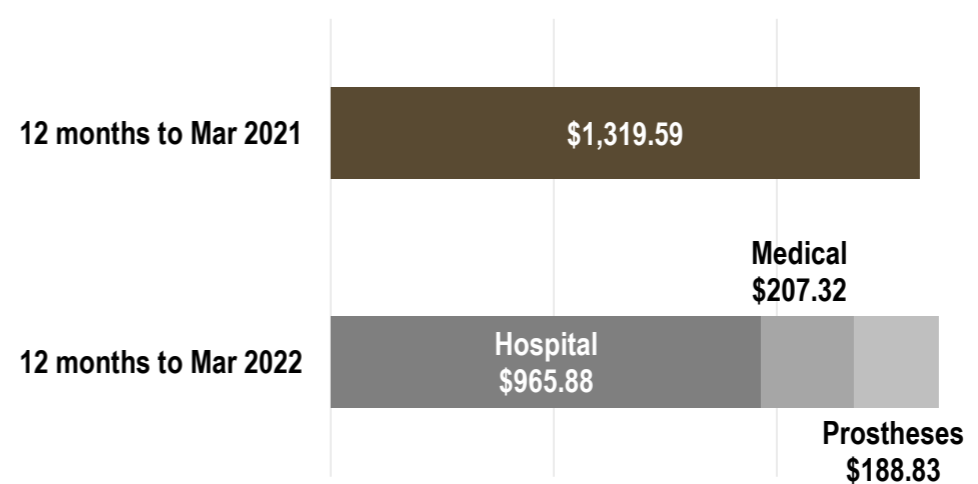
Hospital treatment benefits paid by age 12 months to 31 March 2022



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



Hospital treatment benefits per person



General treatment

Benefits per service

	March 2022	Change from December 2021
Dental	\$68	6.3%
Chiropractic	\$35	10.3%
Physiotherapy	\$41	7.4%
Optical	\$81	4.8%

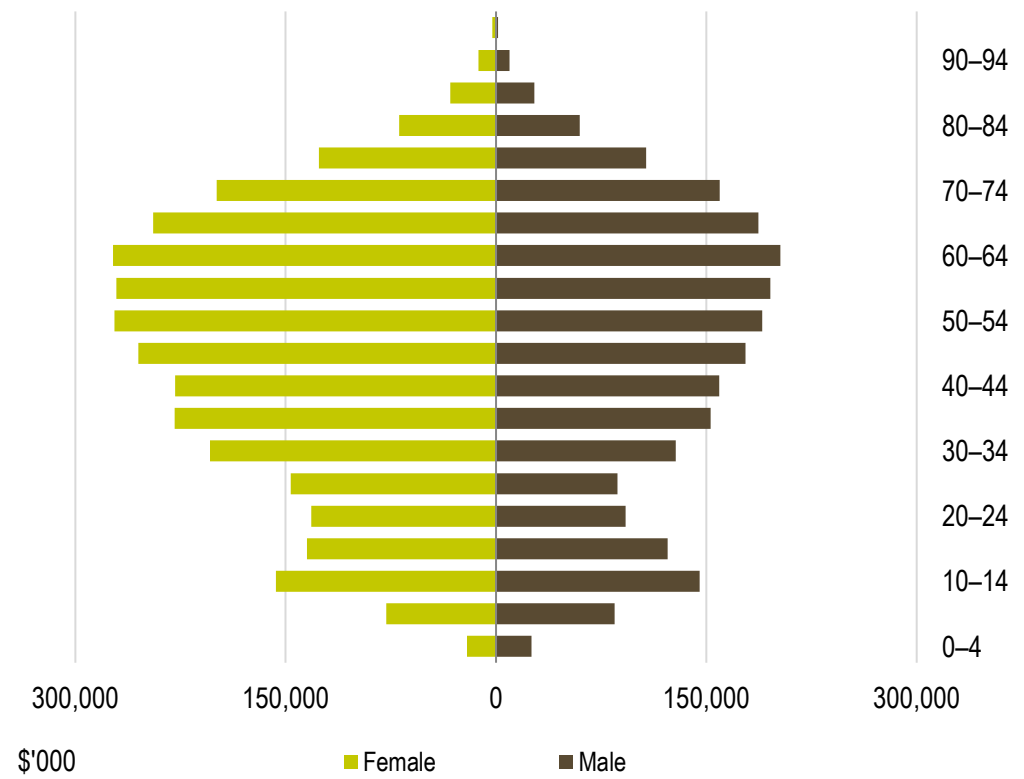
During the March 2022 quarter, insurers paid \$1,424 million in general treatment (ancillary) benefits. This was an decrease of 4.8% compared to the December 2021 quarter. Ancillary benefits for the March 2022 quarter included the major categories of:

- ◇ Dental \$758.6 million
- ◇ Optical \$253.4 million
- ◇ Physiotherapy \$112.3 million
- ◇ Chiropractic \$78.6 million.

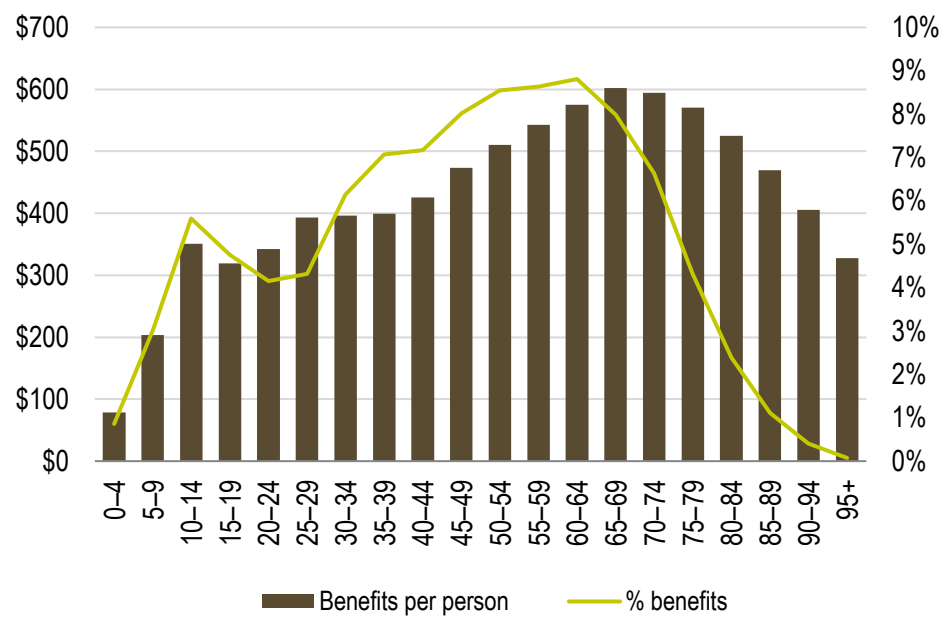
There is a marked difference between the distribution of benefits over age groups between hospital benefits and ancillary benefits. The major difference is the higher claiming rate in older age groups for hospital benefits while benefits per person for ancillary benefits are more evenly spread over the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

General treatment (ancillary) benefits per person during the year to March 2021 were \$411.2 increasing to \$421.2 for the year to March 2022. The largest component of ancillary benefits is dental, for which \$226.2 was paid per insured.

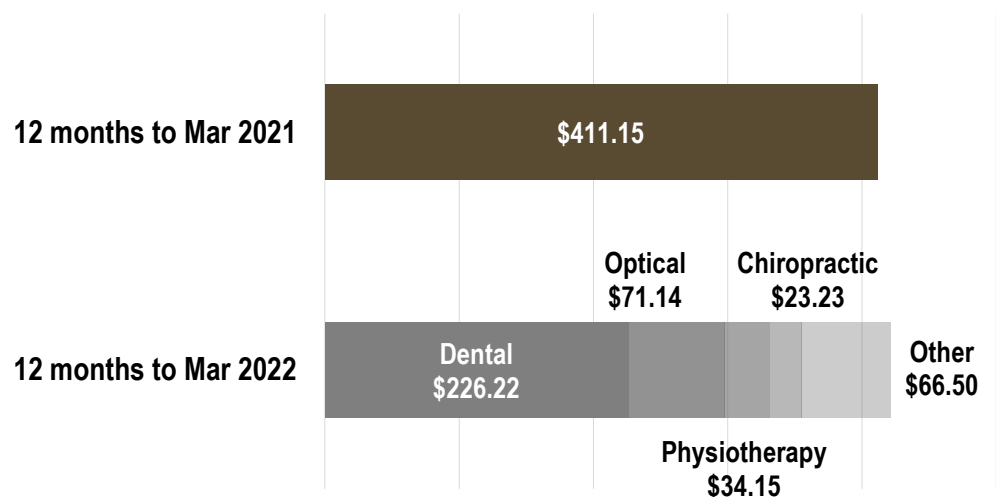
General treatment benefits paid by age 12 months to 31 March 2022 (ancillary)



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



General treatment benefits per person (ancillary)



Medical benefits

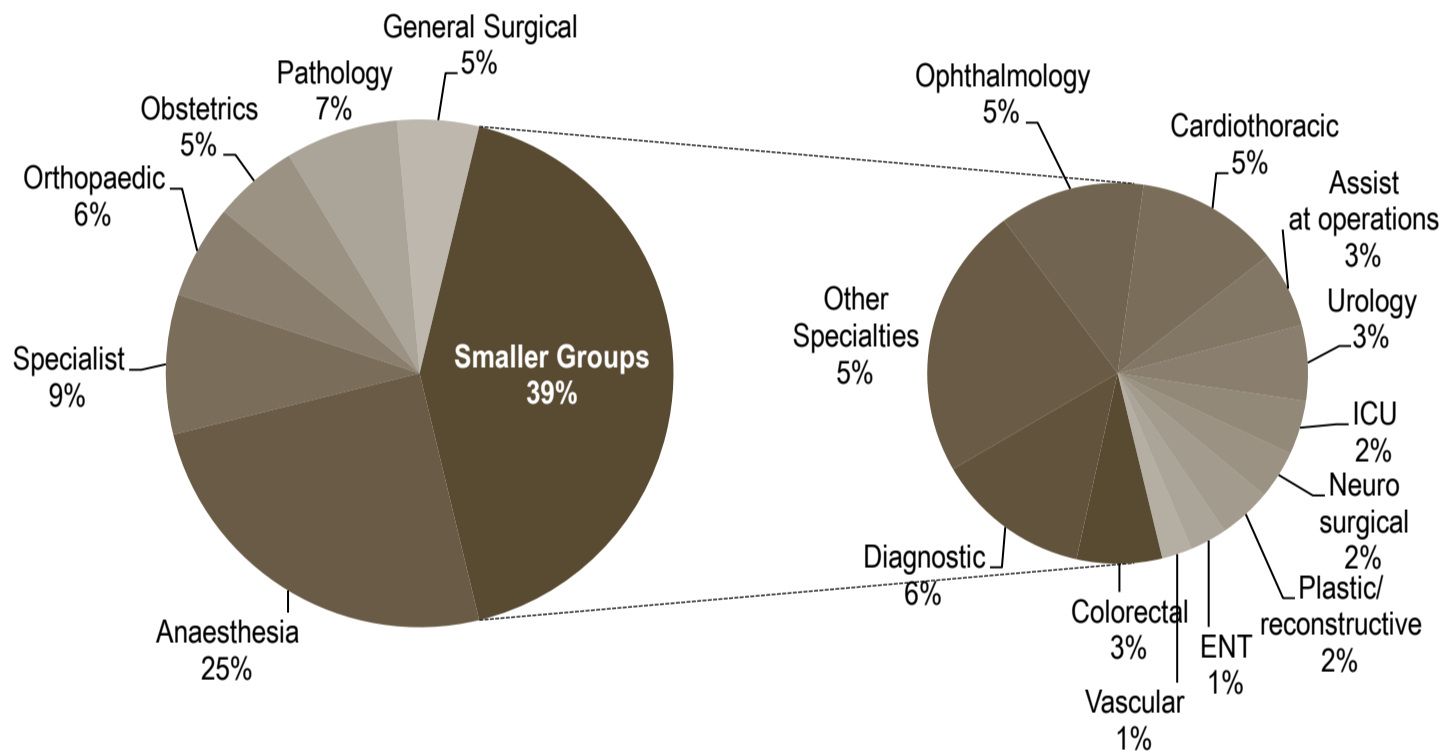
Total benefits for medical services decreased 15.6% during the March 2022 quarter.

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 24.9% of all medical benefits and totalling \$127.3 million.

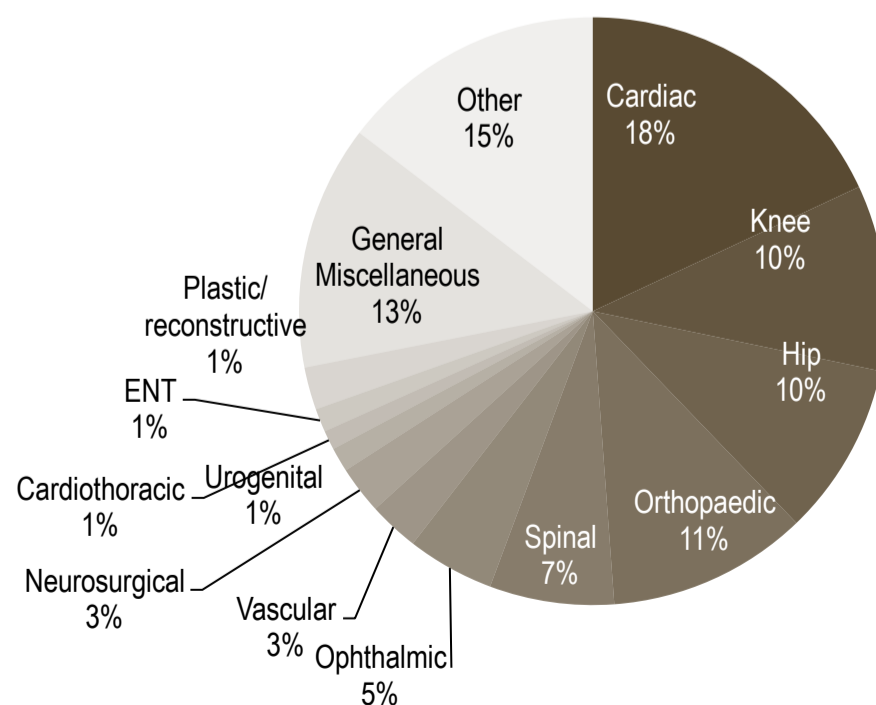
Prostheses benefits

Total benefits paid for prostheses decreased by 17.9% in March 2022 compared to December 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 18.0% of all prosthetic benefits and totalling \$83.6 million.

Medical benefits by Speciality group



Benefits paid for prostheses



Service utilisation

Episodes/Services by type

	March 2022	Change from December 2021
Hospital Episodes	1,004,360	-13.6%
Hospital Days	2,551,207	-10.6%
Medical Services	8,026,060	-14.2%
Prostheses Items	690,762	-16.3%
Specialist Orthopaedic	124,474	-10.4%
Ophthalmic	77,708	-18.2%
Spinal	45,761	-13.2%
General Treatment	23,416,824	-8.0%
Dental	11,222,853	-10.1%
Chiropractic	2,255,949	6.8%
Physiotherapy	2,751,295	3.1%
Optical	3,120,950	-21.9%

Hospital utilisation is distributed over four categories of hospital—public, private, day only facilities and hospital-substitute. During the March 2022 quarter, hospital episodes were distributed as follows:

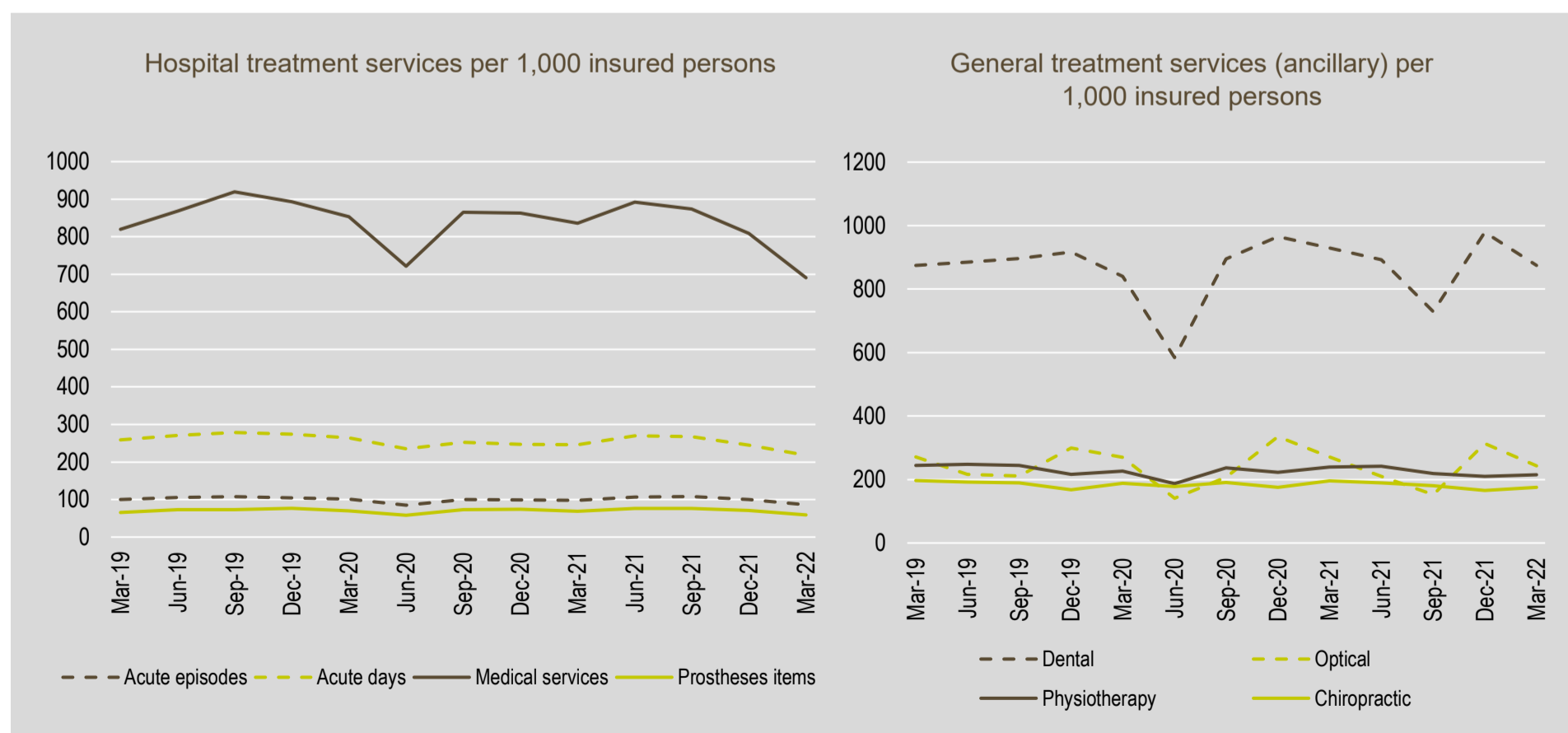
- ◇ public hospitals 150,914 episodes
- ◇ private hospitals 663,291 episodes
- ◇ day hospital facilities 140,783 episodes
- ◇ hospital substitute 49,372 episodes.

For the March 2022 quarter, hospital utilisation (measured in episodes) decreased by 13.6% which was mainly driven by private hospitals.

During the March 2022 quarter, insurers paid benefits for 2.55 million days in hospital, arising from 1 million hospital episodes of care.

	Quarter change	Year change
◇ public hospitals	↓ -7.5%	↑ 0.5%
◇ private hospitals	↓ -14.8%	↑ 7.6%
◇ day hospital facilities	↓ -15.9%	↑ 9.9%
◇ hospital-substitute	↓ -7.9%	↑ 23.8%

Day-only episodes in the four categories of hospital totalled 697,529, with a 14.3% change compared to December 2021.



Out-of-pocket payments

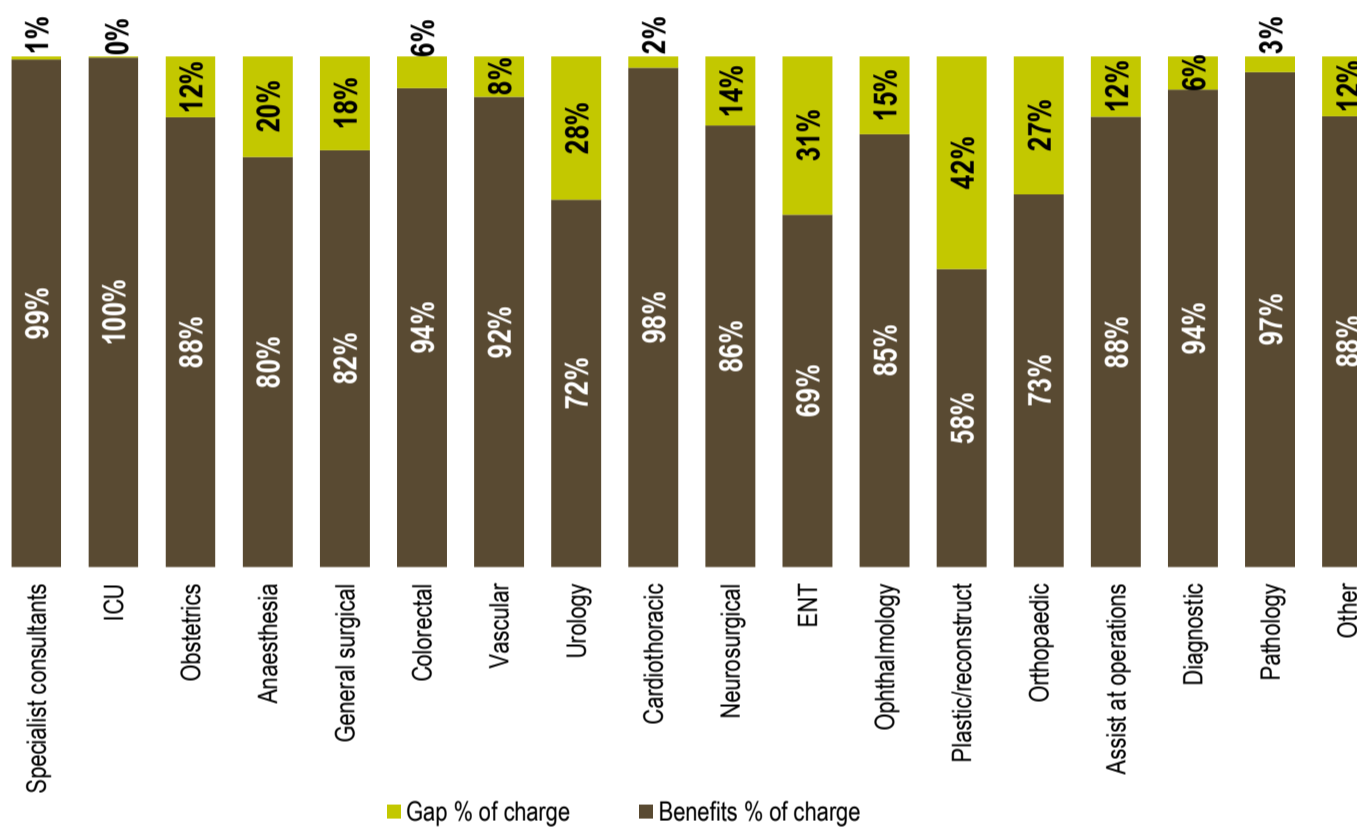
Average out-of-pocket per episode/service

	March 2022	Change from Dec 21	Change from Mar 21
Hospital treatment	\$356.09	6.8%	-0.9%
Hospital-substitute treatment	\$8.09	52.0%	45.5%
General treatment ancillary	\$54.86	2.8%	5.7%
Medical gap where gap was paid	\$203.58	-7.4%	-2.2%

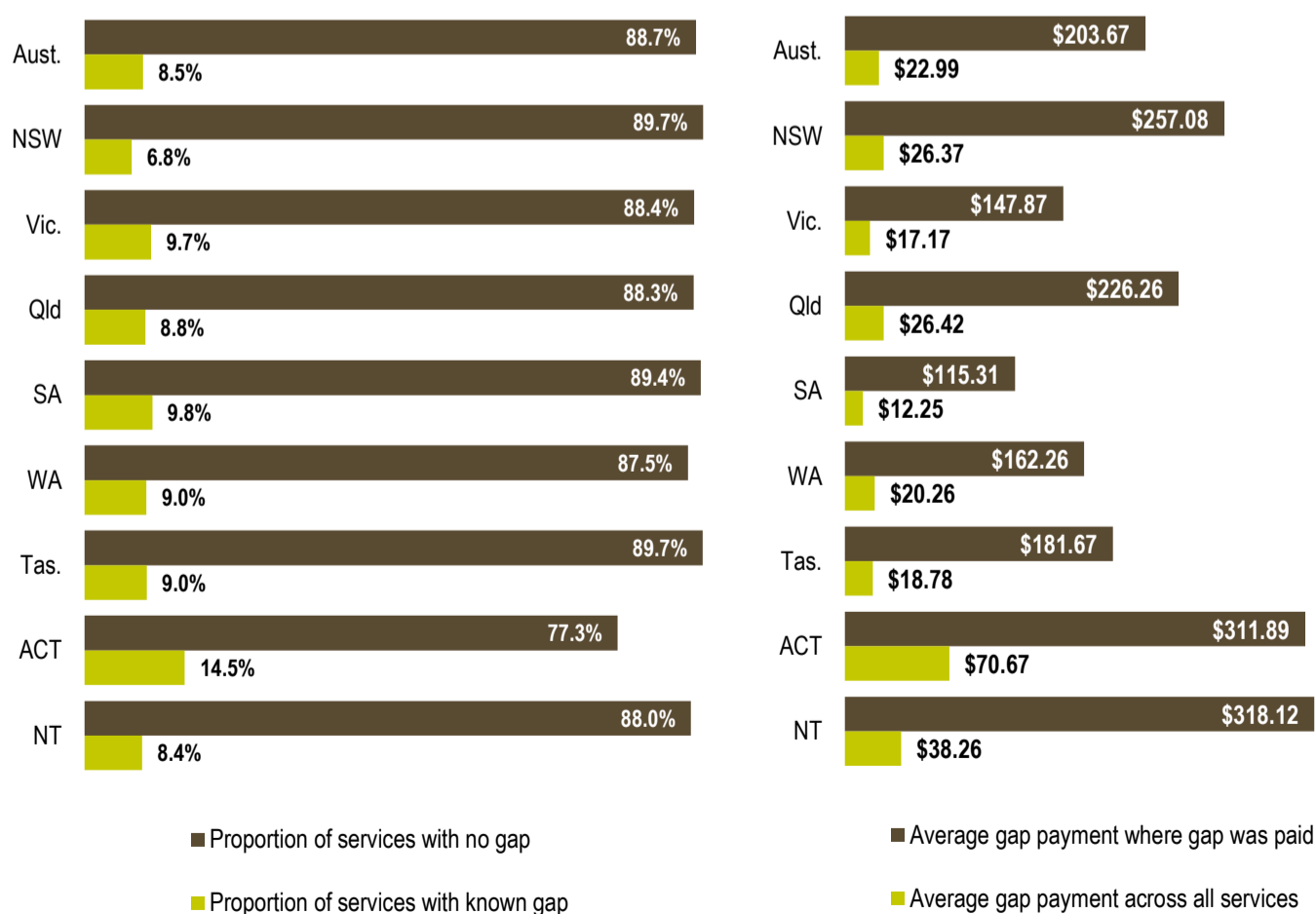
The out-of-pocket payments for hospital episodes decreased by 0.9% compared to the same quarter for the previous year. Out-of-pocket payments for medical services were \$204 where an out-of-pocket payment was payable. The amount of gap for medical services varies depending on the specialty group. The specialty group with the largest out-of-pocket payment was plastic/reconstructive with an average gap of \$485. 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.

The average out-of-pocket (gap) payment for a hospital episode was \$356 in the March 2022 quarter. This included out-of-pocket payments for medical services, in addition to any excess or co-payment amounts relating to hospital accommodation.

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 March 2022	12 months to March 2021
Revenue		
HIB premium revenue	26,584,847	25,180,926
Net investment income	207,876	645,492
Net HRB revenue	-126,249	17,317
Net other operational revenue	91,371	73,612
Total revenue	26,757,846	25,917,346
Benefits		
Fund benefits	21,326,152	21,963,493
State ambulance levies	253,699	241,998
Total fund benefits	21,579,851	22,205,491
Expenses		
HIB expenses	2,129,763	1,970,348
HIB claims handling	430,287	416,570
Non-operating expenses	71,640	76,891
Total expenses	2,631,691	2,463,809
Profit of the industry		
Profit/(loss) before tax	2,546,304	1,248,046
Taxation expense	569,039	296,538
Profit/(loss) after tax	1,977,265	951,508
Margins		
Gross margin	18.83%	11.82%
HIB expenses	9.63%	9.48%
Net margin	9.20%	2.34%

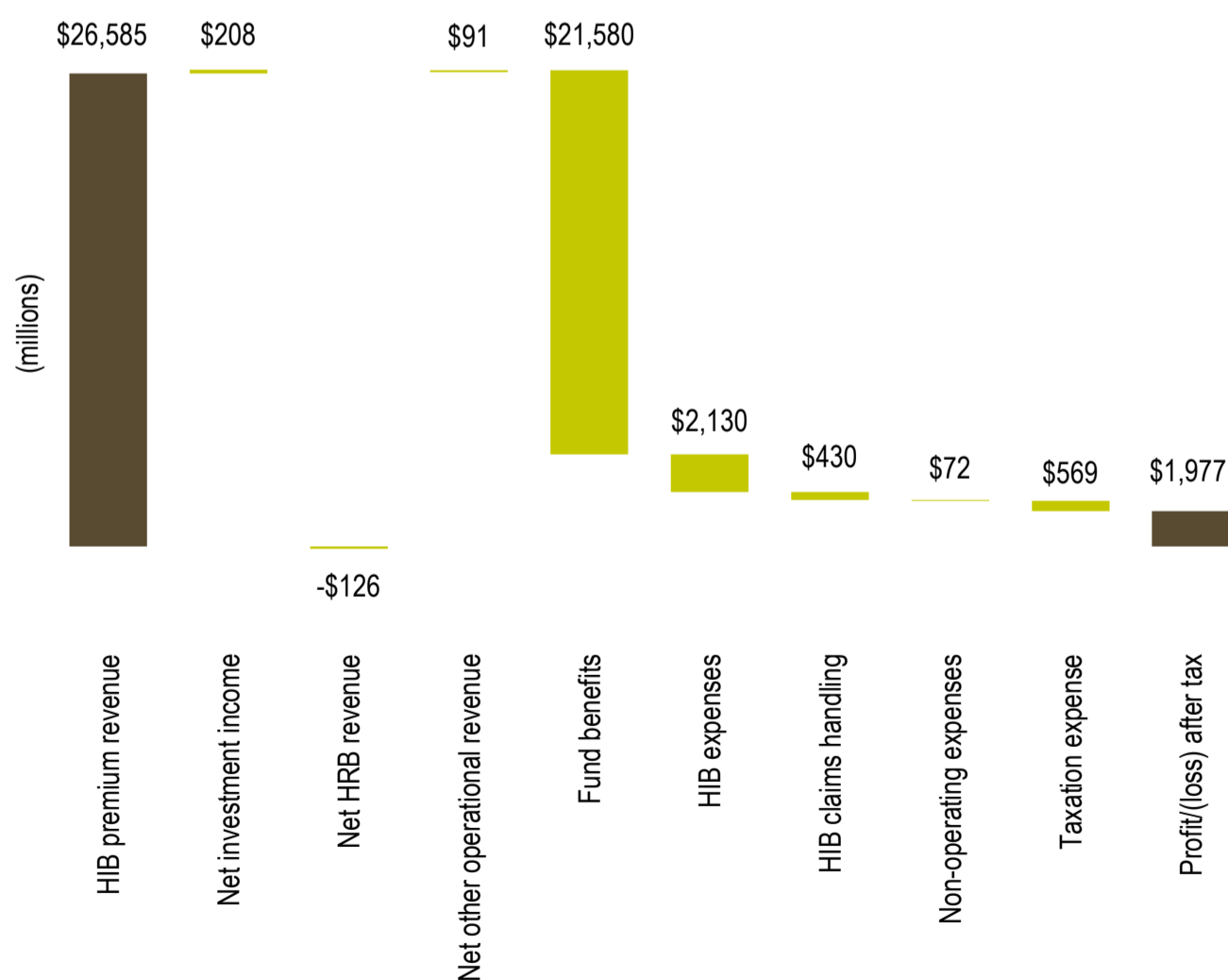
Health Insurance Business (HIB) premium revenue was up 5.6% for the year to March 2022, while total fund benefits decreased by 2.8%. Gross margin increased from 11.8% to 18.8%.

Net investment income decreased from \$645 million in the year ending March 2021 to \$208 million in the year ending March 2022.

HIB expenses as a percentage of revenue increased from 9.5% to 9.6% and net margin increased from 2.3% to 9.2%.

Net profit after tax increased from \$952 million for the year ending March 2021 to \$1,977 million for the year ending March 2022.

Health Benefits Fund Profit After Tax Breakdown for 12 months to March 2022



Prudential Position

All figures \$'000	March 2022	December 2021	March 2021
Assets			
Cash	2,037,322	1,955,831	1,941,434
Investments			
Equities	2,509,115	2,435,662	1,907,932
Interest bearing assets	9,885,600	9,026,400	9,275,215
Property	796,275	797,292	739,221
Subsidiary and associated entities	262,870	287,904	288,630
Loans	222,267	199,663	35,939
Receivables	55,612	46,160	61,165
Intangibles DAC and FITBS	1,205,662	1,161,047	1,285,808
Pre-paid expenses	77,051	88,145	83,794
Other*	2,195,564	1,939,858	2,185,979
Total assets	19,247,338	17,937,962	17,805,118
Liabilities			
Unearned premium liabilities	3,546,316	2,797,996	3,486,067
Unpresented & outstanding claims	2,371,764	2,276,569	2,273,972
Other fund liabilities	1,751,568	1,560,926	1,906,076
of which: Other insurance liabilities	1,613,076	1,429,811	1,754,183
Interest bearing liabilities	6,172	5,004	5,659
Payables, provisions & other liabilities	1,347,749	1,367,283	1,186,115
Total liabilities	9,023,568	8,007,778	8,857,889
Total assets minus total liabilities	10,223,770	9,930,185	8,947,229

The industry held total assets of \$19.2 billion as at 31 March 2022.

Total assets have increased by \$1,442 million in the last 12 months.

Total liabilities reported by the industry have increased by \$166 million over the year.

Total net assets increased from \$8.9 billion in March 2021 to \$10.2 billion in March 2022.

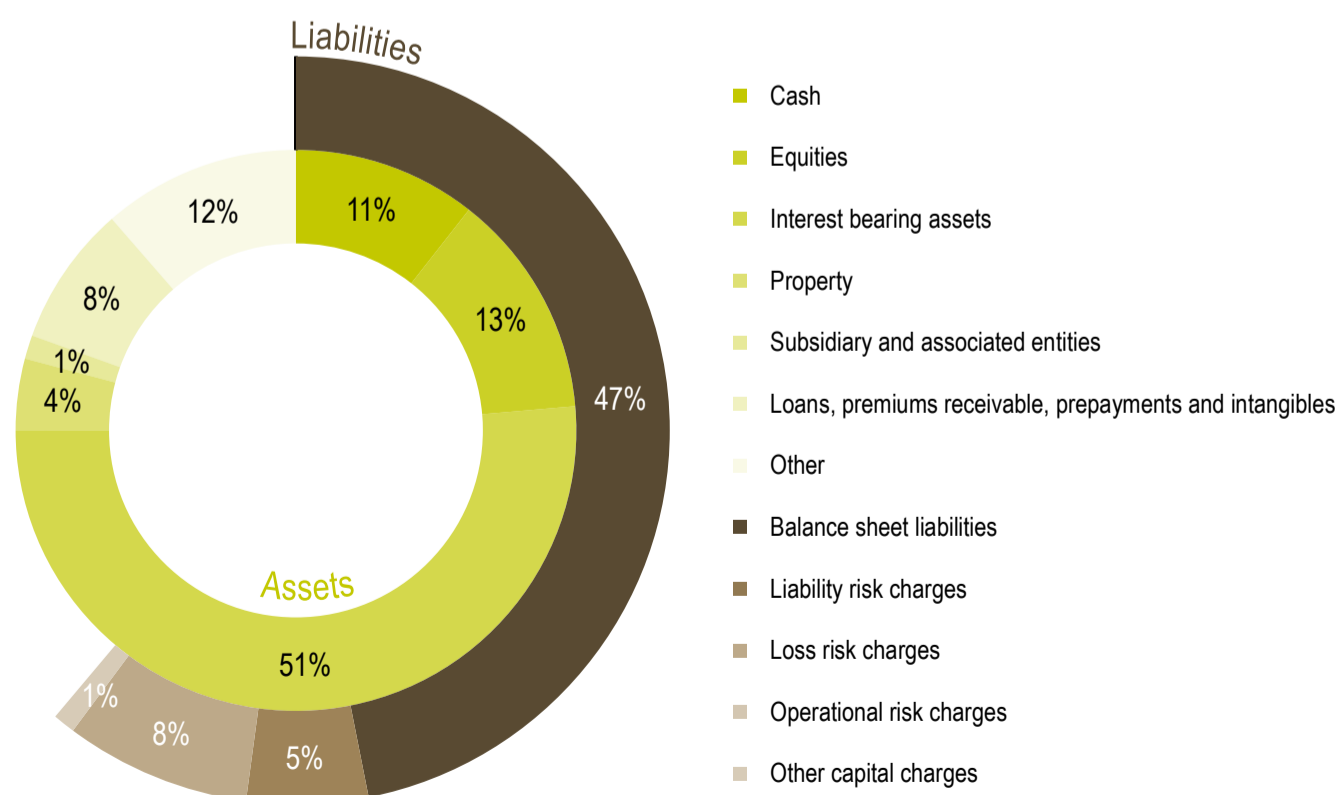
Capital Adequacy Requirement

All figures \$'000	March 2022	December 2021	March 2021
Total Liabilities	9,023,568	8,007,778	8,857,889
Liability risk charges	1,011,243	1,327,929	726,273
Loss risk charges	1,546,924	1,537,852	1,489,714
Operational risk charges	185,110	184,641	179,150
Other capital charges	18,851	17,592	78,383
Less subordinated debt	0	4,893	4,712
Total Capital Adequacy Requirement*	11,785,696	11,070,899	11,326,697

* 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 March 2022



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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