



STATISTICS

Quarterly private health insurance statistics

March 2023 (released 24 May 2023)

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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

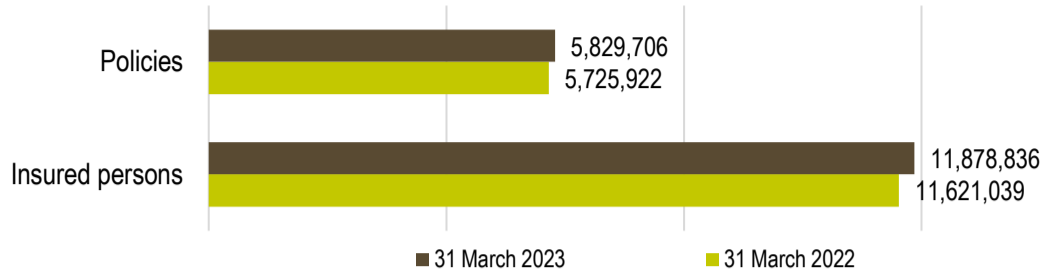
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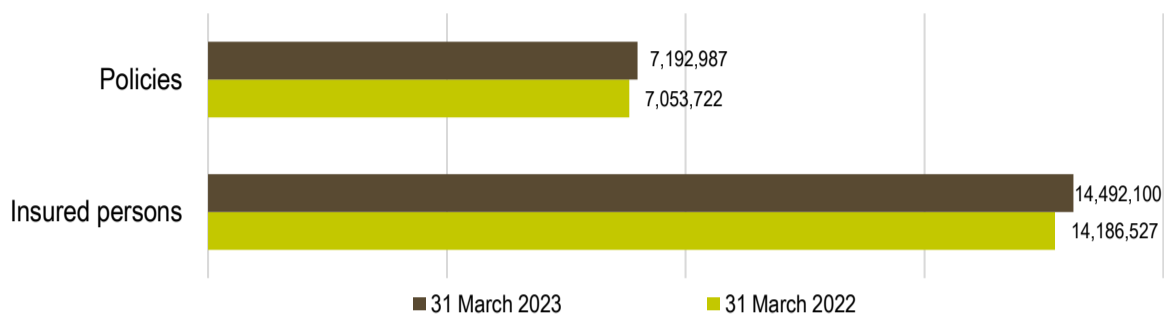
Key metrics

Hospital treatment membership



45.1% of population at 31 March 2023
 ↑ **0.1%** percentage points from 31 Dec 2022
 ↑ **63,354** insured persons over the quarter

General treatment membership



55.0% of population at 31 March 2023
 ↑ **0.1%** percentage points from 31 Dec 2022
 ↑ **81,782** insured persons over the quarter

Hospital treatment episodes

Period	Value
12 months to 31 March 2023	4,635,065
12 months to 31 March 2022	4,632,566

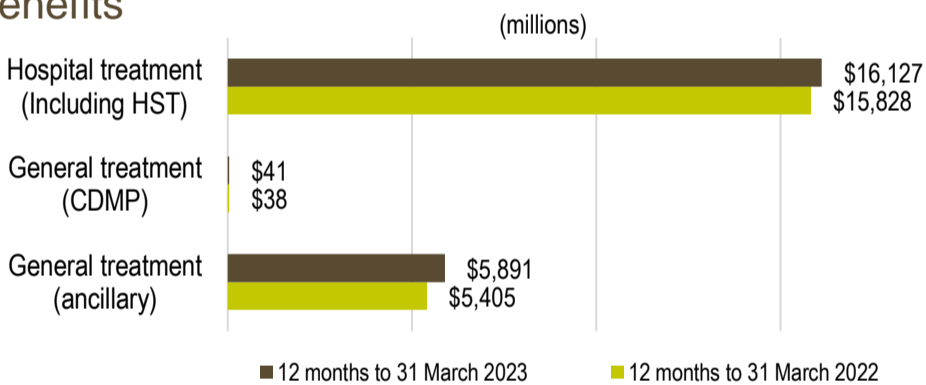
↑ **0.1%** over the 12 months to March 2023
 ↓ **-5.7%** compared to the December 2022 quarter

General treatment services (ancillary)

Period	Value
12 months to 31 March 2023	98,894,427
12 months to 31 March 2022	91,927,807

↑ **7.6%** over the 12 months to March 2023
 ↑ **2.7%** compared to the December 2022 quarter

Benefits



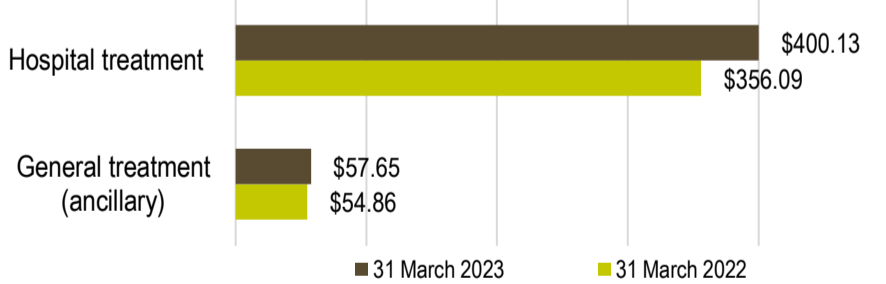
↑ **1.9%** over the 12 months to March 2023
 ↑ **15.5%** compared to the March 2022 quarter

↑ **9.0%** over the 12 months to March 2023
 ↑ **12.0%** compared to the March 2022 quarter

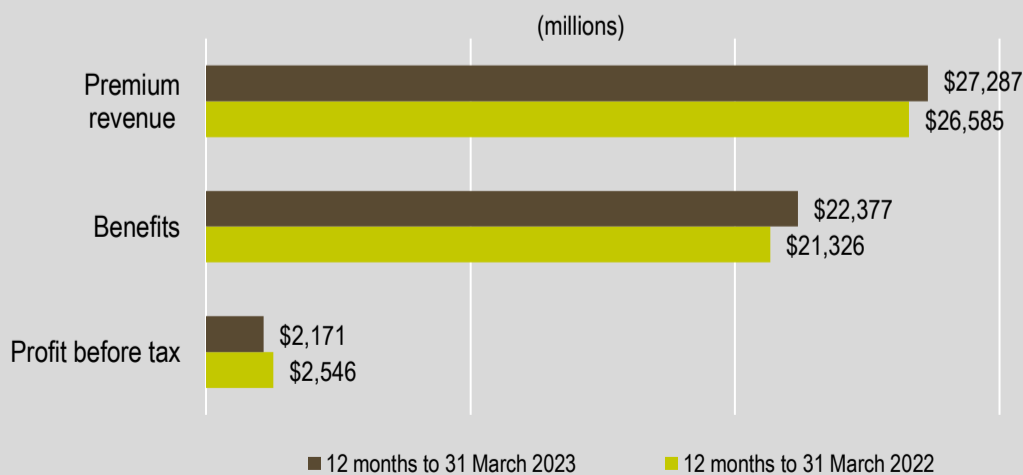
↑ **12.4%** over the 12 months to March 2023

↑ **5.1%** over the 12 months to March 2023

Out-of-pocket per episode/service



Financial



↑ **2.6%** over the 12 months to March 2023

↑ **4.9%** over the 12 months to March 2023

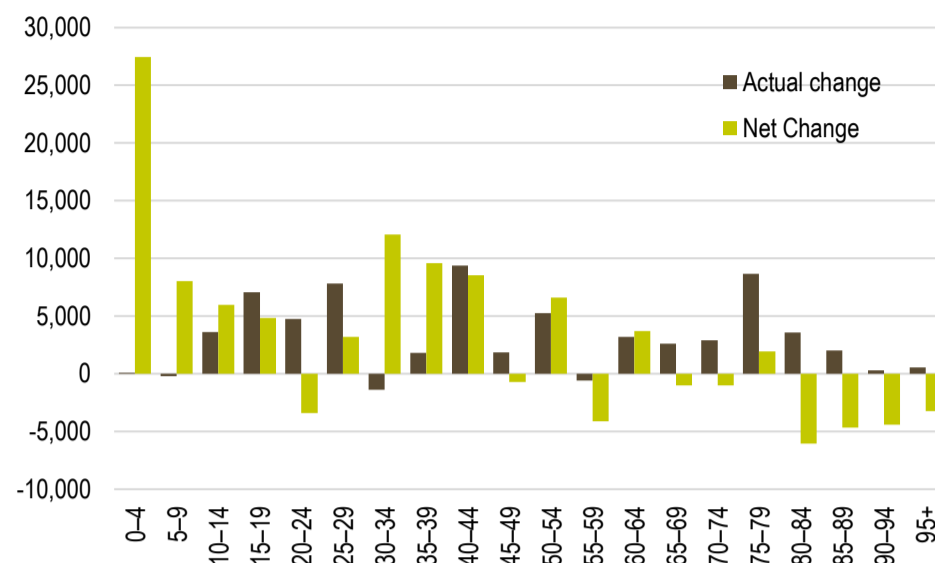
↓ **-14.7%** over the 12 months to March 2023

Hospital Treatment

At 31 March 2023, 11,878,836 people, or 45.1% of the population, were covered by hospital treatment cover. There was a slight increase compared to December 2022. There was an increase in coverage of 63,354 insured people in the March 2023 quarter compared to December 2022. Family policies increased by 10,609 and single policies by 9,255 during the quarter.

The largest increase in coverage during the quarter was 9,398 for people aged between 40 and 44. The largest net increase (taking into account movement between age groups) was for the 0-4 with an increase of 27,447 people.

Net quarterly change in insured persons

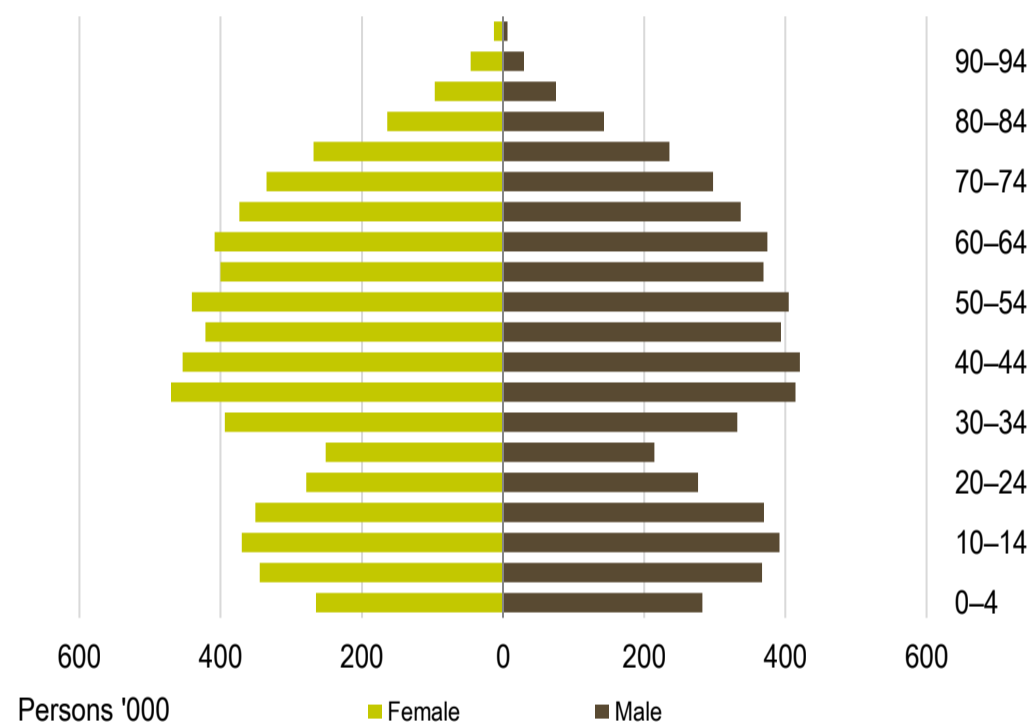


Lifetime health cover

The majority of adults with hospital cover (88.9%) have a certified age of entry of 30, with no penalty loading.

At the end of the 31 March 2023 quarter, there were 950,792 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 36,395. There was a net increase in people with a certified age of entry of 30 (with no penalty) over the year of 111,426. Over the year, 127,527 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%	5,733,229	6,145,607	48.7%	51.3%
NSW	46.7%	53.3%	1,867,006	1,992,056	48.6%	51.4%
VIC	42.5%	57.5%	1,369,554	1,482,130	50.7%	49.3%
QLD	41.0%	59.0%	1,066,272	1,153,699	47.0%	53.0%
SA	44.5%	55.5%	392,160	428,388	49.3%	50.7%
WA	54.5%	45.5%	758,801	783,975	47.0%	53.0%
TAS	41.3%	58.7%	111,826	125,147	49.6%	50.4%
ACT	53.7%	46.3%	119,102	129,451	49.2%	50.8%
NT	39.5%	60.5%	48,508	50,761	48.9%	51.1%

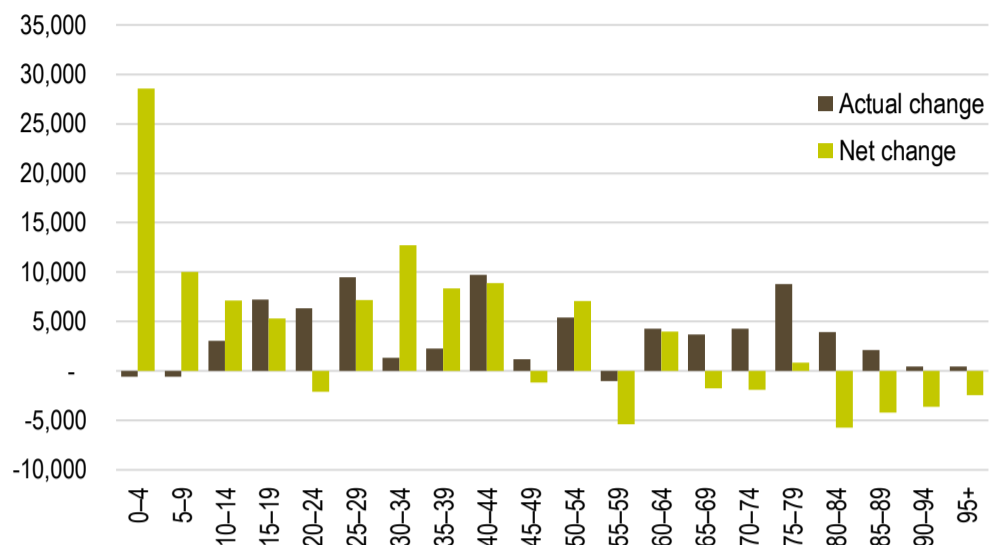
General Treatment

At 31 March 2023, 14,492,100 people or 55.0% of the population had some form of general treatment cover. There was an increase of 81,782 people when compared to the December 2022 quarter. There was an increase of General Treatment policies of 35,274 for March 2023 which was mainly driven by Single Policies which increased by 18,654. For the 12 months to 31 March 2023, the number of insured persons with general treatment cover has increased by 305,573.

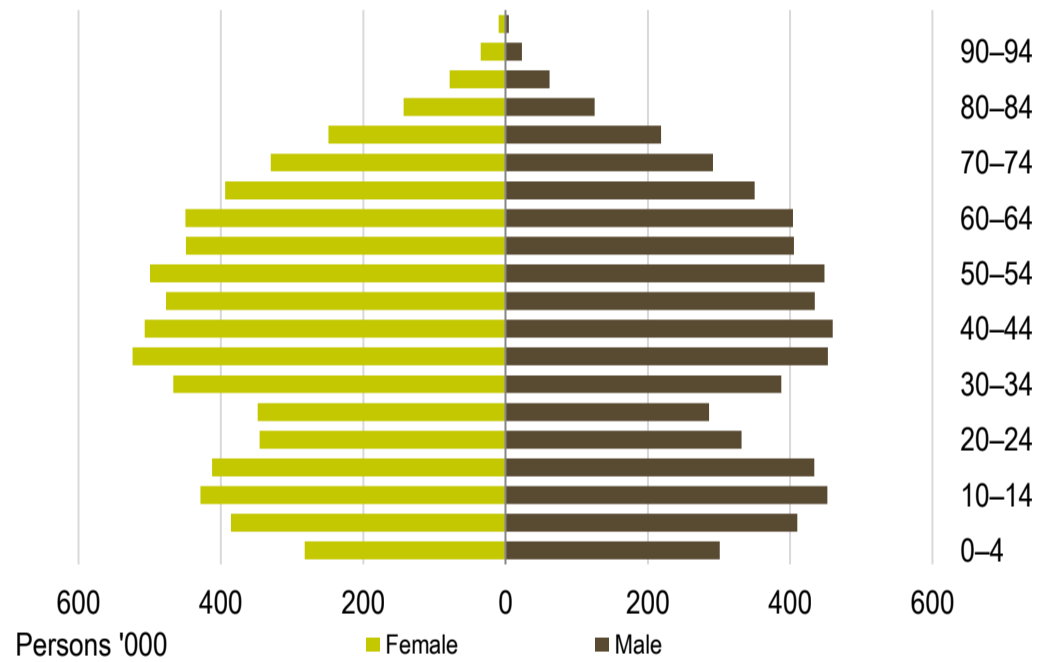
The general treatment (ancillary) by age charts and data in this report show data for those people that have general treatment policies covering ancillary services, regardless of other treatment included in the product. This excludes those general treatment policies that do not cover ancillary treatment.

There was an increase of 71,838 people with general treatment (ancillary) coverage in the March 2023 quarter. The largest net increase in coverage, after accounting for movements across age groups, was 28,575 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%	6,284,304	6,815,468	50.1%	49.9%
NSW	57.7%	42.3%	2,086,409	2,237,966	49.4%	50.6%
VIC	50.2%	49.8%	1,372,755	1,498,361	52.0%	48.0%
QLD	48.0%	52.0%	1,125,432	1,243,862	49.1%	50.9%
SA	59.3%	40.7%	482,965	534,038	50.7%	49.3%
WA	69.3%	30.7%	917,652	969,845	49.3%	50.7%
TAS	49.2%	50.8%	120,822	137,323	51.5%	48.5%
ACT	66.1%	33.9%	128,015	140,454	50.4%	49.6%
NT	44.4%	55.6%	50,254	53,619	50.4%	49.6%

Benefits Paid

Hospital treatment

Benefits per episode/service

	March 2023	Change from December 2022
Hospital Treatment		
Acute	\$2,450.6	-2.5%
Medical	\$62.7	-2.1%
Prostheses	\$653.7	-0.4%
Cardiac	\$3,666.2	1.0%
Hip	\$1,640.7	0.0%
Knee	\$1,684.4	0.3%
Total benefits and growth rate		
Hospital	\$3,929,892,810	-7.7%
General	\$1,605,917,485	4.5%

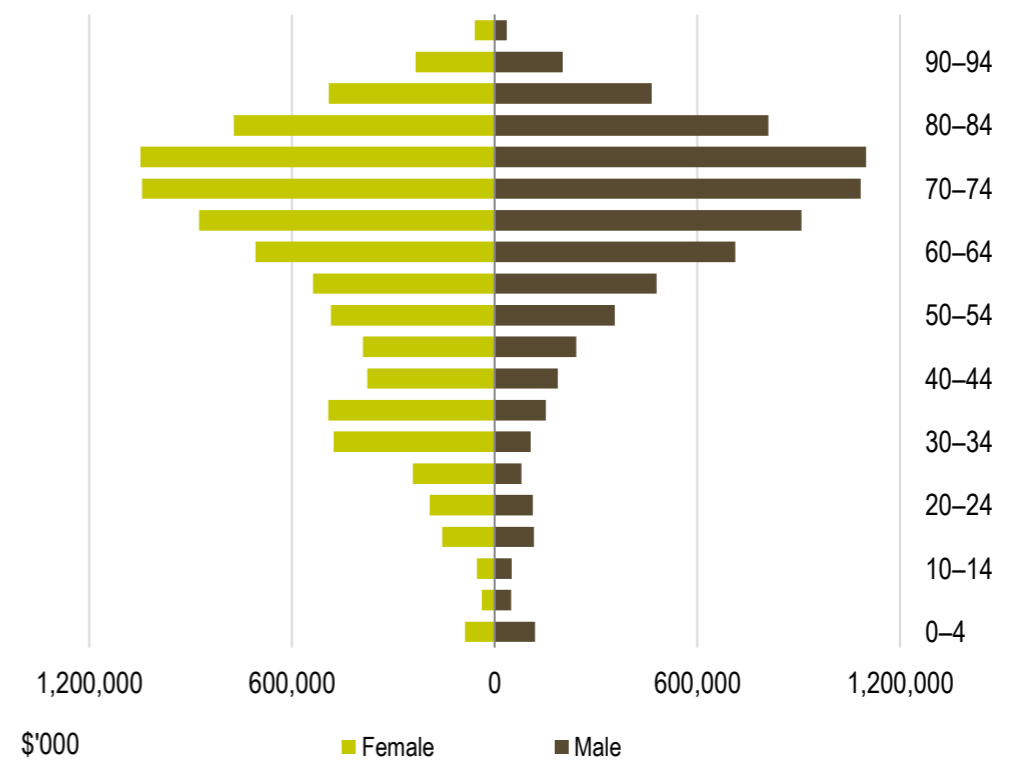
During the March 2023 quarter, insurers paid \$3,929.9 million in hospital treatment benefits, which was 7.7% lower compared to the December 2022 quarter. Hospital treatment benefits were comprised of:

- ◇ \$2,805.5 million for hospital services such as accommodation and nursing
- ◇ \$592.5 million for medical services
- ◇ \$531.9 million for prostheses items.

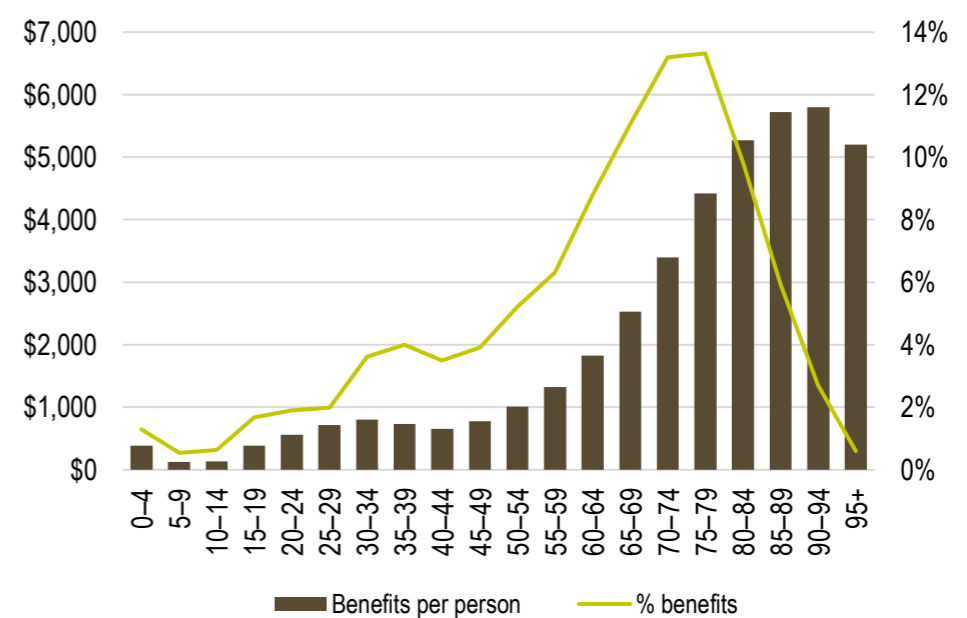
The age group for which most hospital benefits are paid is between 75 and 79 (top chart). Total benefits by age group is affected by the average benefits paid per person (displayed in the second chart) and the number of people in each age group.

Average hospital benefits per person decreased from \$1,362.0 for the year ending March 2022 to \$1,357.6 for the year ending March 2023. The largest amount of benefits per person was spent on hospital accommodation and nursing, followed by medical and prostheses benefits.

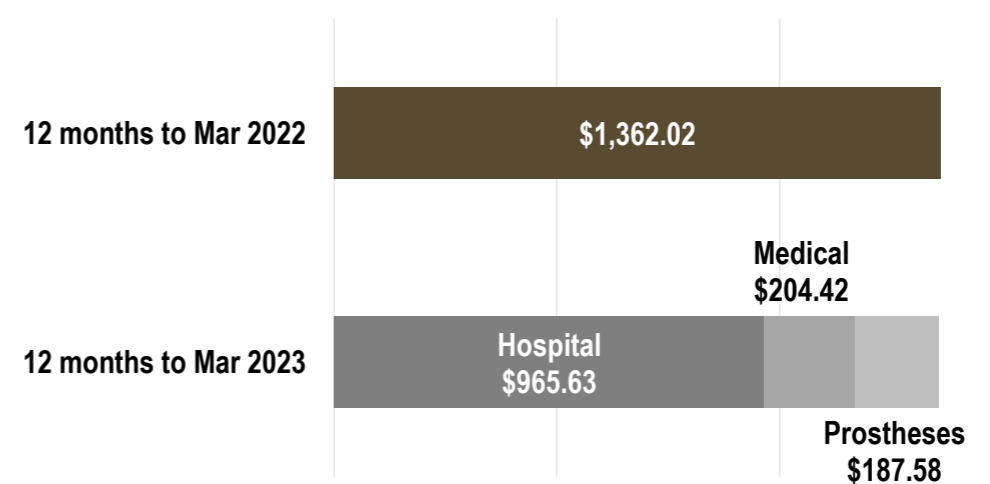
Hospital treatment benefits paid by age 12 months to 31 March 2023



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 2023	Change from December 2022
Dental	\$67.9	4.0%
Chiropractic	\$35.3	9.2%
Physiotherapy	\$41.3	7.0%
Optical	\$81.7	1.7%

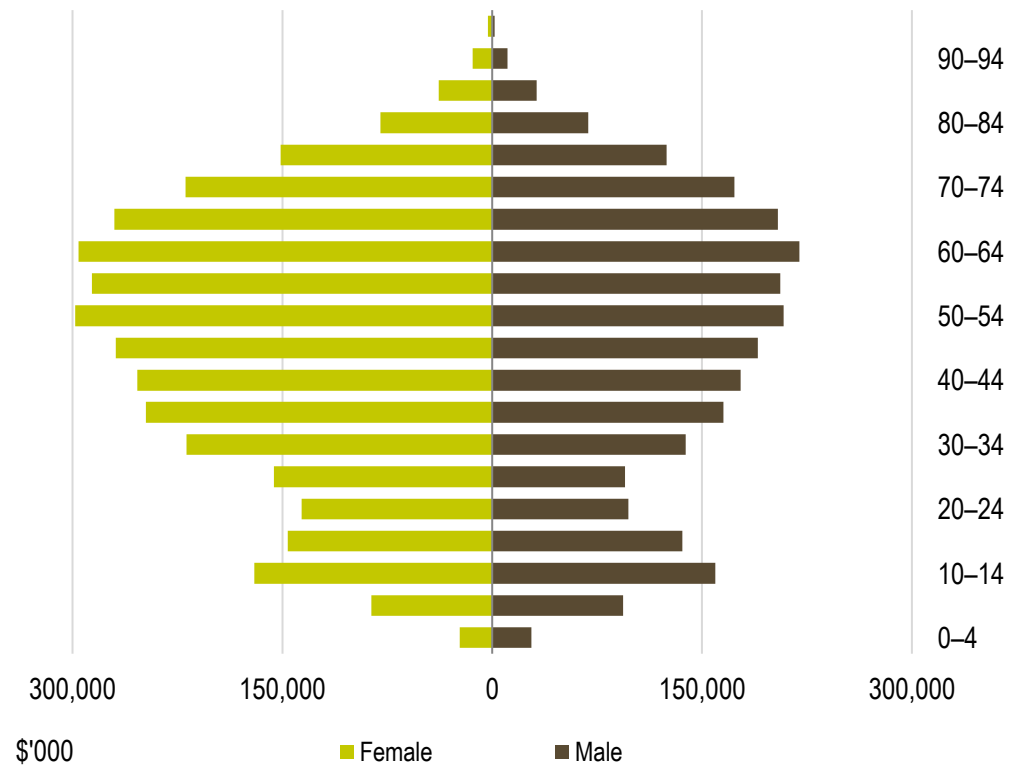
During the March 2023 quarter, insurers paid \$1,595.0 million in general treatment (ancillary) benefits. This was an increase of 4.5% compared to the December 2022 quarter. Ancillary benefits for the March 2023 quarter included the major categories of:

- ◇ Dental \$855.3 million
- ◇ Optical \$269.1 million
- ◇ Physiotherapy \$126.7 million
- ◇ Chiropractic \$86.7 million

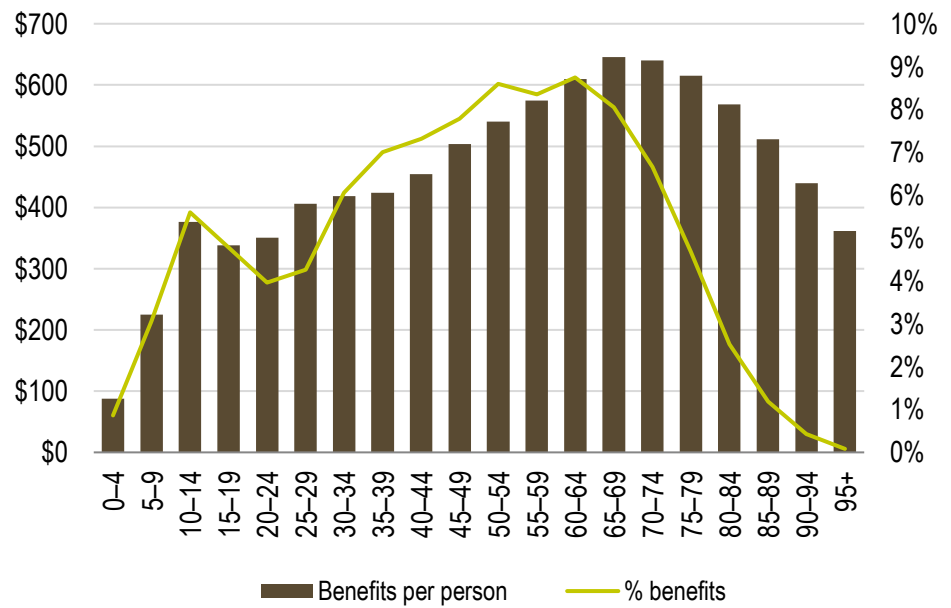
There is a marked difference between the distribution of benefits over age groups between hospital benefits and ancillary benefits. The major difference is the higher claiming rate in older age groups for hospital benefits while benefits per person for ancillary benefits are more evenly spread over the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

General treatment (ancillary) benefits per person during the year to March 2022 were \$421.2 increasing to \$449.7 for the year to March 2023. The largest component of ancillary benefits is dental, for which \$245.3 was paid per insured.

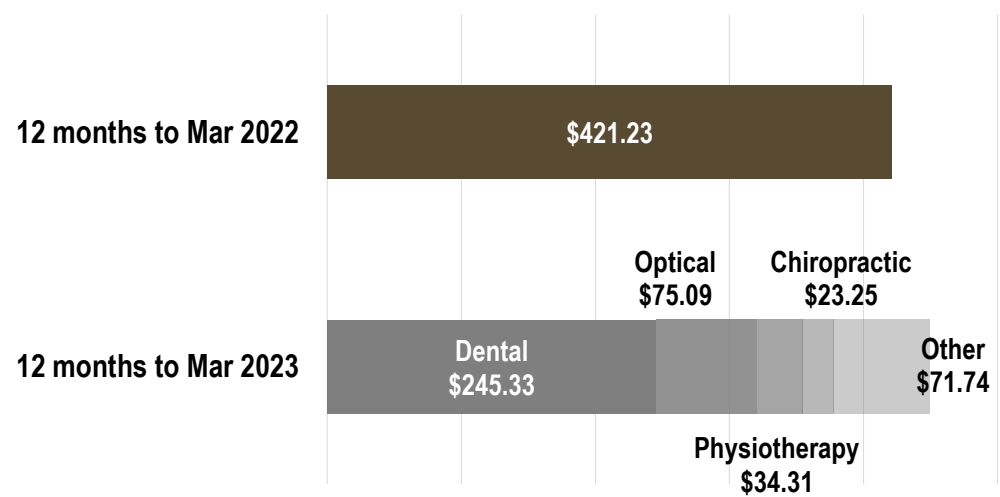
General treatment benefits paid by age 12 months to 31 March 2023 (ancillary)



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



General treatment benefits per person (ancillary)



Medical benefits

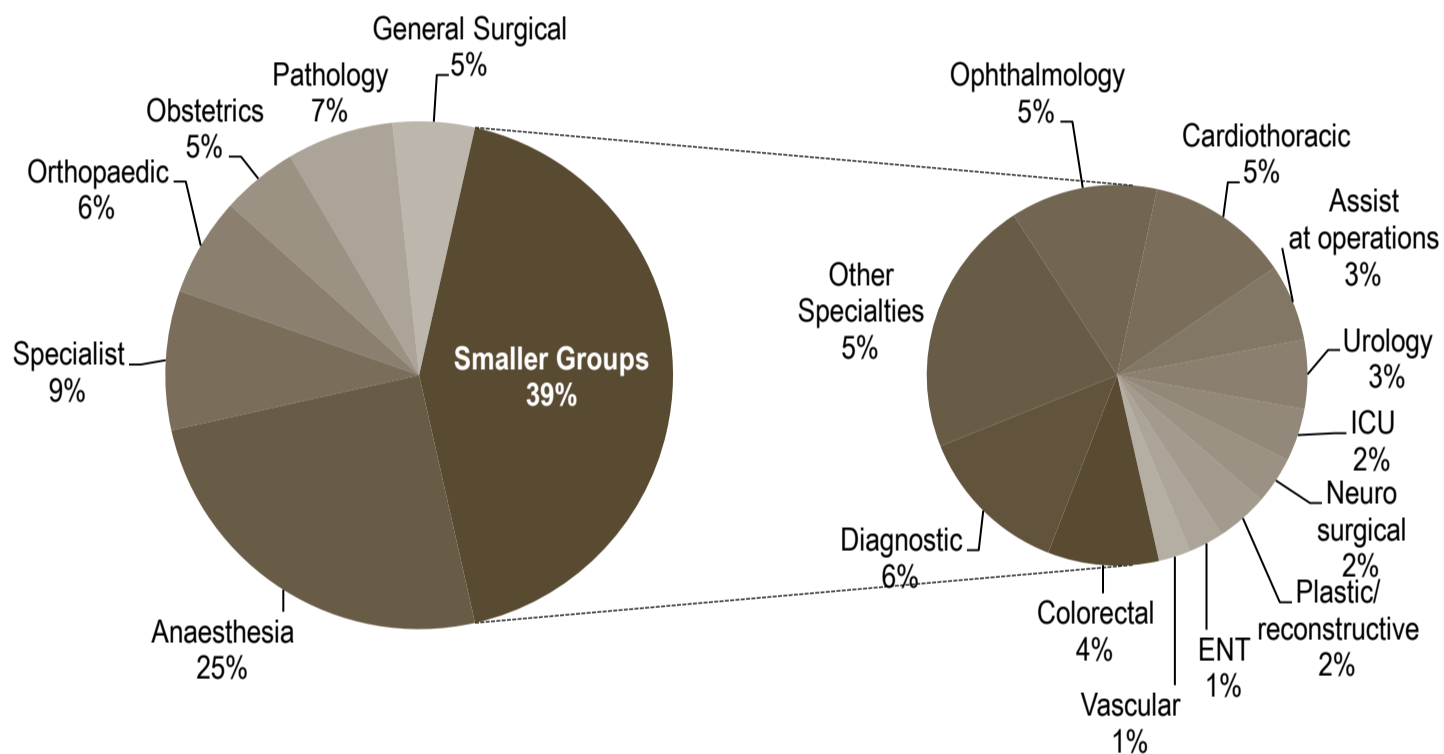
Total benefits for medical services decreased 4.7% over the March 2023 quarter.

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 25.0% of all medical benefits and totalling \$148.4 million.

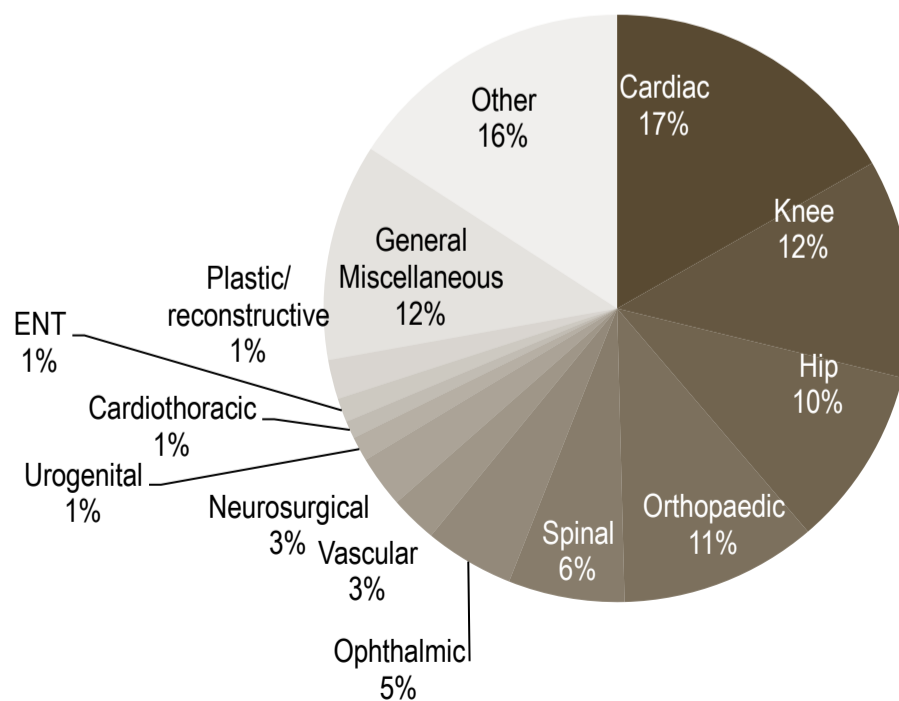
Prostheses benefits

Total benefits paid for prostheses decreased by 8.9% in March 2023 compared to December 2022. 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 16.8% of all prosthetic benefits and totalling \$89.2 million.

Medical benefits by Speciality group



Benefits paid for prostheses



Service utilisation

Episodes/Services by type

	March 2023	Change from December 2022
Hospital Episodes	1,144,649	-5.7%
Hospital Days	2,852,692	-6.2%
Medical Services	9,450,154	-3.2%
Prostheses Items	813,602	-8.5%
Specialist Orthopaedic	145,323	-8.3%
Ophthalmic	93,619	-13.7%
Spinal	52,785	-7.9%
General Treatment	26,055,291	2.7%
Dental	12,587,286	-0.1%
Chiropractic	2,456,191	17.6%
Physiotherapy	3,067,568	15.9%
Optical	3,294,300	-12.4%

Hospital utilisation is distributed over four categories of hospital—public, private, day only facilities and hospital-substitute. During the March 2023 quarter, hospital episodes were distributed as follows:

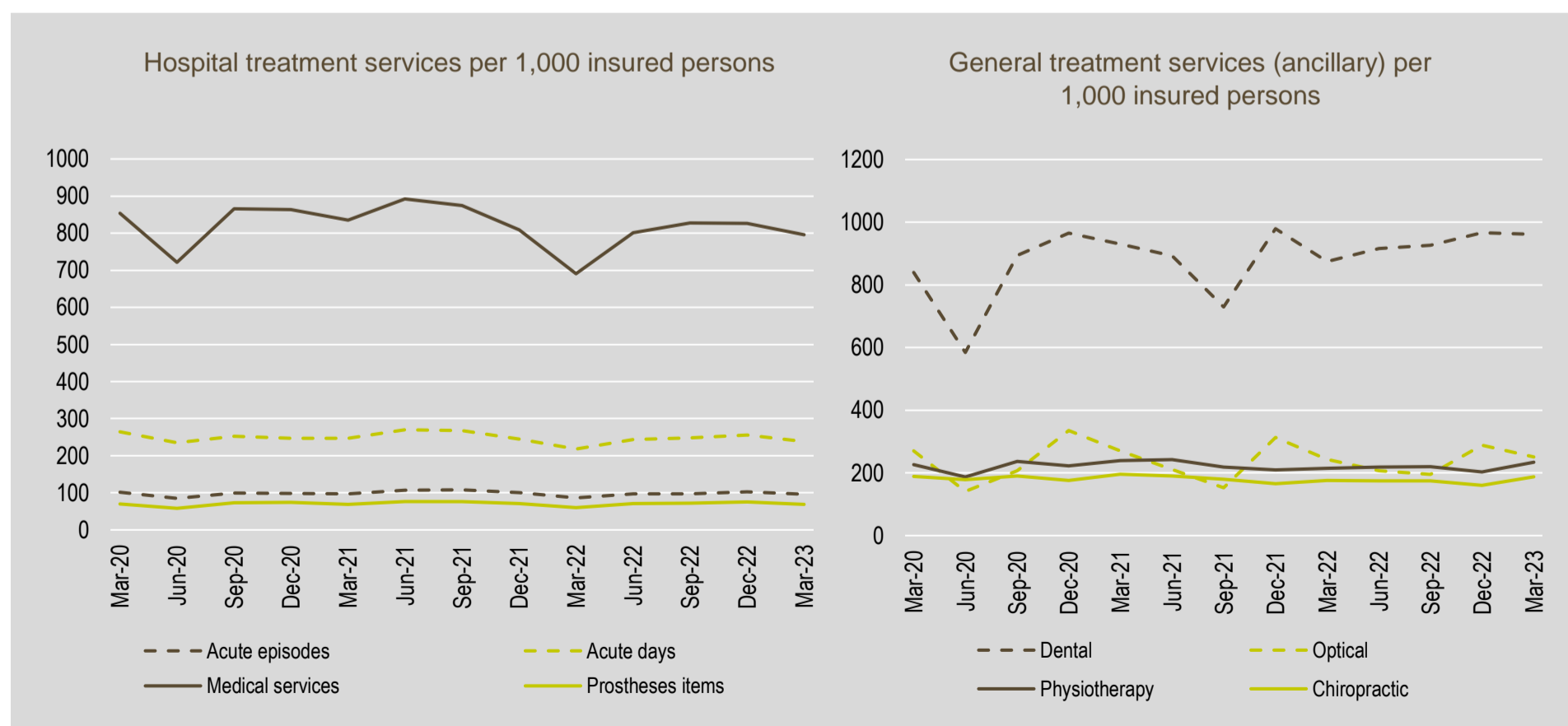
- ◇ public hospitals 166,205 episodes
- ◇ private hospitals 761,123 episodes
- ◇ day hospital facilities 159,815 episodes
- ◇ hospital substitute 57,506 episodes.

For the March 2023 quarter, hospital utilisation (measured in episodes) decreased by 5.7% which was mainly driven by private hospitals.

During the March 2023 quarter, insurers paid benefits for 2.9 million days in hospital, arising from 1.1 million hospital episodes of care.

	Quarter change	Year change
◇ public hospitals	↓ -1.2%	↓ -4.1%
◇ private hospitals	↓ -7.0%	↑ 0.3%
◇ day hospital facilities	↓ -5.4%	↑ 1.4%
◇ hospital-substitute	↓ -1.8%	↑ 5.5%

Day-only episodes in the four categories of hospital totalled 798,149, with a 6.2% change compared to December 2022.



Out-of-pocket payments

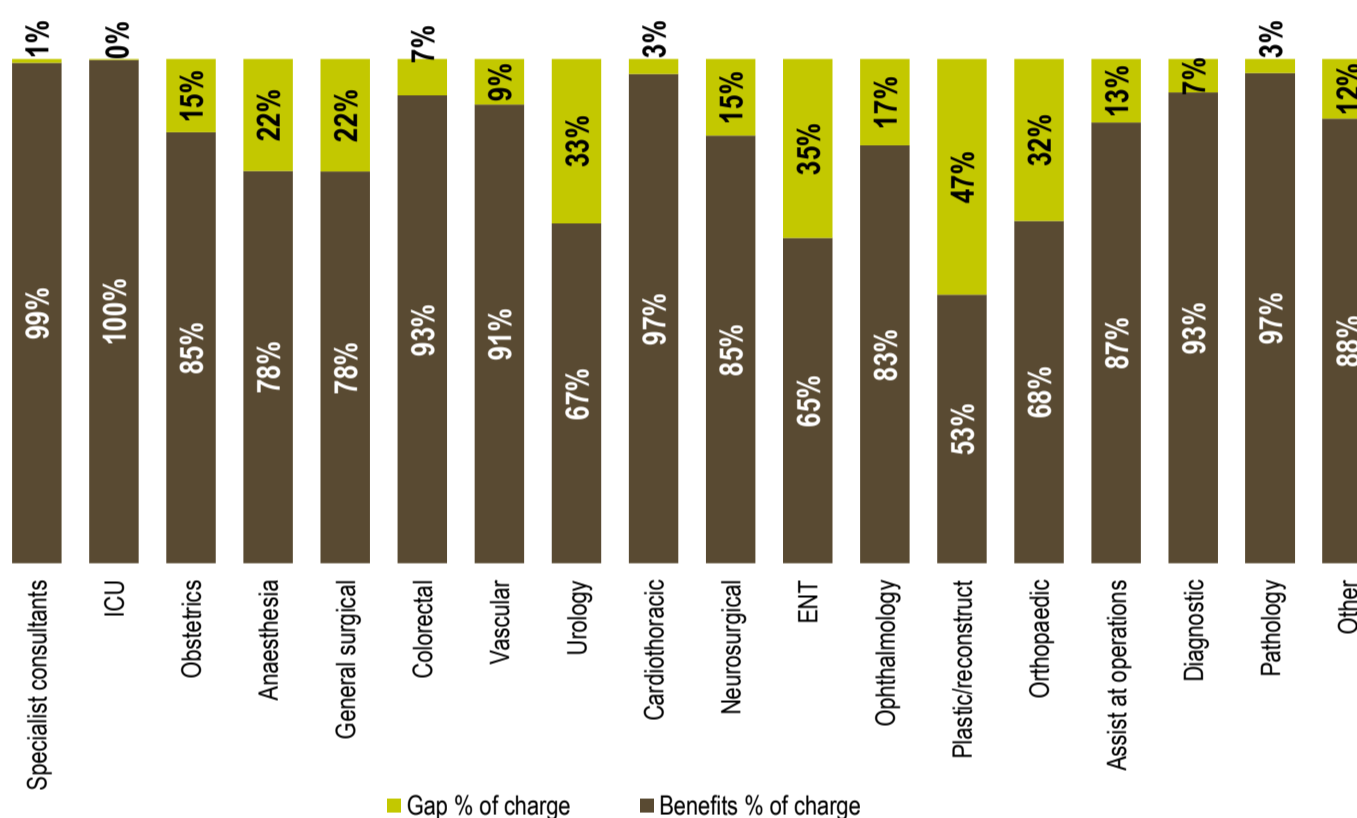
Average out-of-pocket per episode/service

	March 2023	Change from Dec 22	Change from Mar 22
Hospital treatment	\$400.1	7.4%	12.4%
Hospital-substitute treatment	\$3.6	14.8%	-55.3%
General treatment ancillary	\$57.7	0.9%	5.1%
Medical gap where gap was paid	\$236.9	0.8%	16.1%

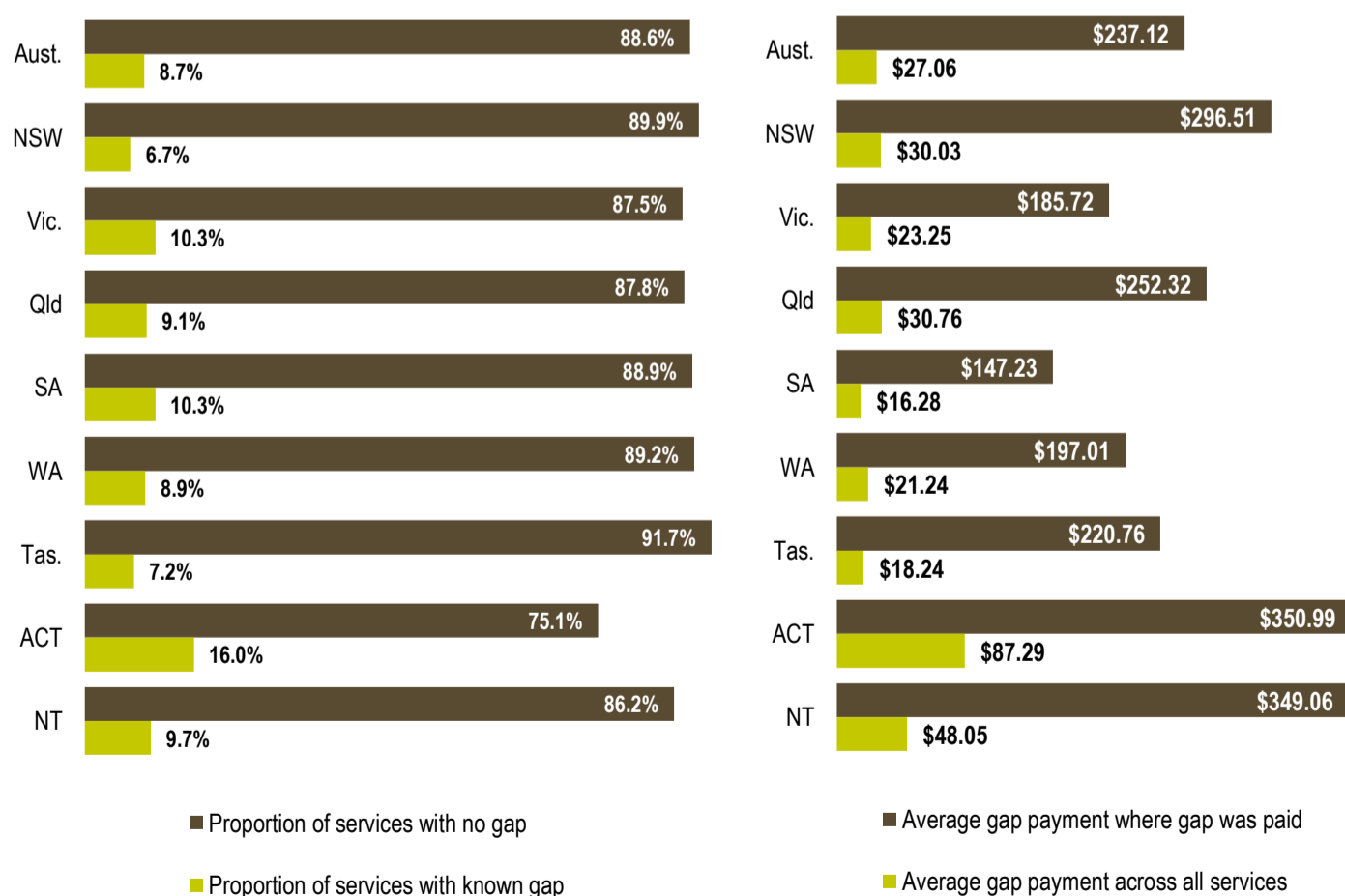
The out-of-pocket payments for hospital episodes increased by 12.4% compared to the same quarter for the previous year. Out-of-pocket payments for medical services were \$236.9 where an out-of-pocket payment was payable. The amount of gap for medical services varies depending on the specialty group. The specialty group with the largest out-of-pocket payment was plastic/reconstructive with an average gap of \$601.5. 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 \$400.1 in the March 2023 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 2023	12 months to March 2022
Revenue		
HIB premium revenue	27,286,559	26,584,847
Net investment income	236,968	207,876
Net HRB revenue	88,533	-126,249
Net other operational revenue	135,657	91,371
Total revenue	27,747,716	26,757,846
Benefits		
Fund benefits	22,376,604	21,326,152
State ambulance levies	269,068	253,699
Total fund benefits	22,645,672	21,579,851
Expenses		
HIB expenses	2,413,731	2,129,763
HIB claims handling	414,898	430,287
Non-operating expenses	102,163	71,640
Total expenses	2,930,792	2,631,691
Profit of the industry		
Profit/(loss) before tax	2,171,252	2,546,304
Taxation expense	582,213	569,039
Profit/(loss) after tax	1,589,039	1,977,265
Margins		
Gross margin	17.0%	18.8%
HIB expenses	10.4%	9.6%
Net margin	6.6%	9.2%

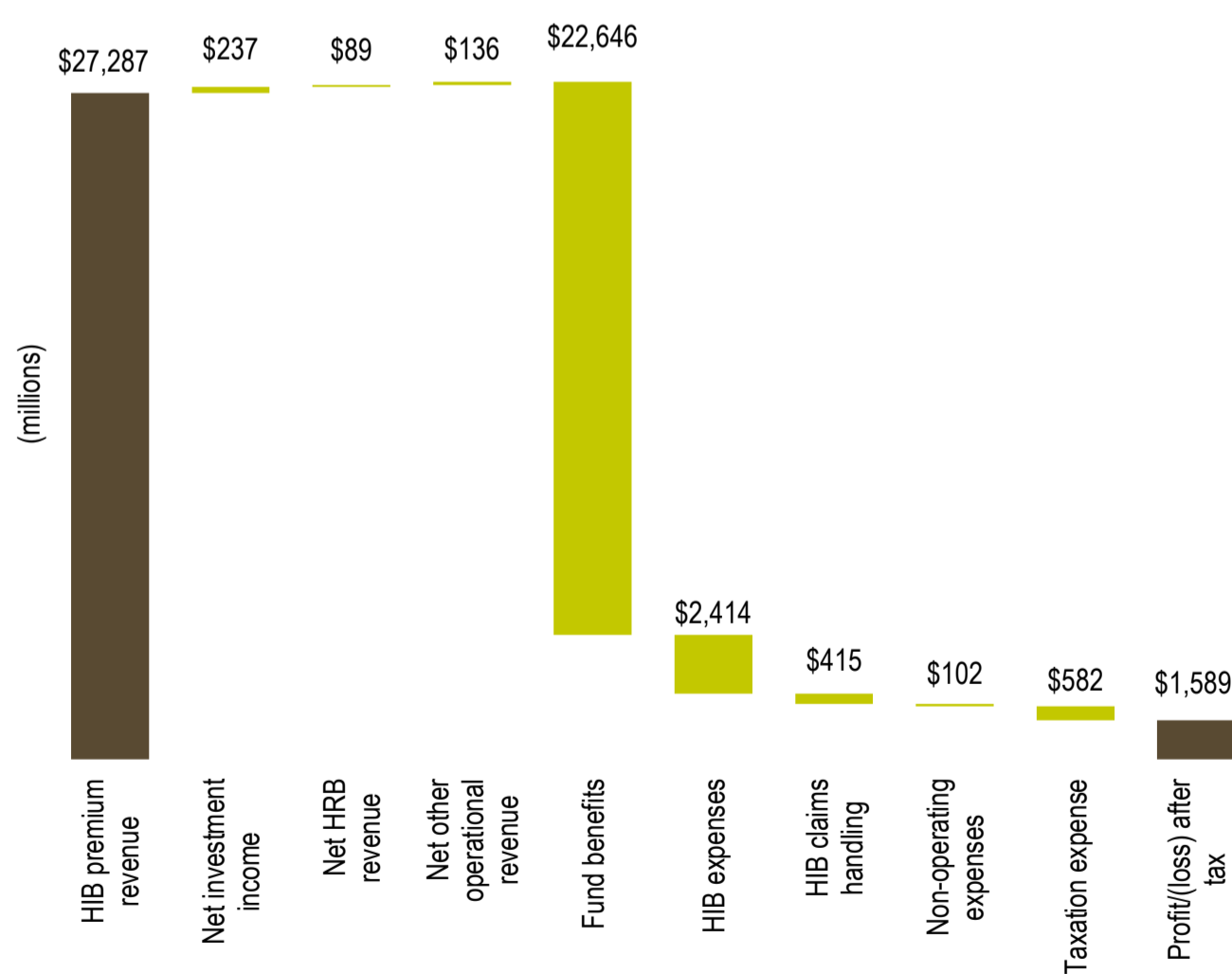
Health Insurance Business (HIB) premium revenue was up 2.6% for the year to March 2023, while total fund benefits increased by 4.9%. Gross margin decreased from 18.8% to 17.0%.

Net investment income increased from \$207.9 million in the year ending March 2022 to \$237.0 million in the year ending March 2023.

HIB expenses as a percentage of revenue increased from 9.6% to 10.4% and net margin decreased from 9.2% to 6.6%.

Net profit after tax decreased from \$1,977.3 million for the year ending March 2022 to \$1,589.0 million for the year ending March 2023.

Health Benefits Fund Profit After Tax Breakdown for 12 months to March 2023



Prudential Position

All figures \$'000	March 2023	December 2022	March 2022
Assets			
Cash	2,178,568	1,658,257	2,037,322
Investments			
Equities	2,293,141	2,235,610	2,509,115
Interest bearing assets	11,000,545	10,455,169	9,885,600
Property	815,045	838,617	796,275
Subsidiary and associated entities	257,777	276,771	262,870
Loans	42,809	192,277	222,267
Receivables	55,161	55,397	55,612
Intangibles DAC and FITBS	1,380,728	1,283,726	1,205,662
Pre-paid expenses	111,514	119,097	77,051
Other*	2,137,735	2,001,173	2,195,564
Total assets	20,273,022	19,116,093	19,247,338
Liabilities			
Unearned premium liabilities	3,661,471	2,940,664	3,546,316
Unpresented & outstanding claims	2,715,368	2,401,783	2,371,764
Other fund liabilities	1,379,324	1,775,750	1,751,568
of which: Other insurance liabilities	1,235,901	1,641,521	1,613,076
Interest bearing liabilities	5,805	5,000	6,172
Payables, provisions & other liabilities	1,578,015	1,420,962	1,347,749
Total liabilities	9,339,983	8,544,159	9,023,568
Total assets minus total liabilities	10,933,039	10,571,933	10,223,770

The industry held total assets of \$20.3 billion as at 31 March 2023.

Total assets have increased by \$1,025.7 million in the last 12 months.

Total liabilities reported by the industry have increased by \$316.4 million over the year.

Total net assets increased from \$10.2 billion in March 2022 to \$10.9 billion in March 2023.

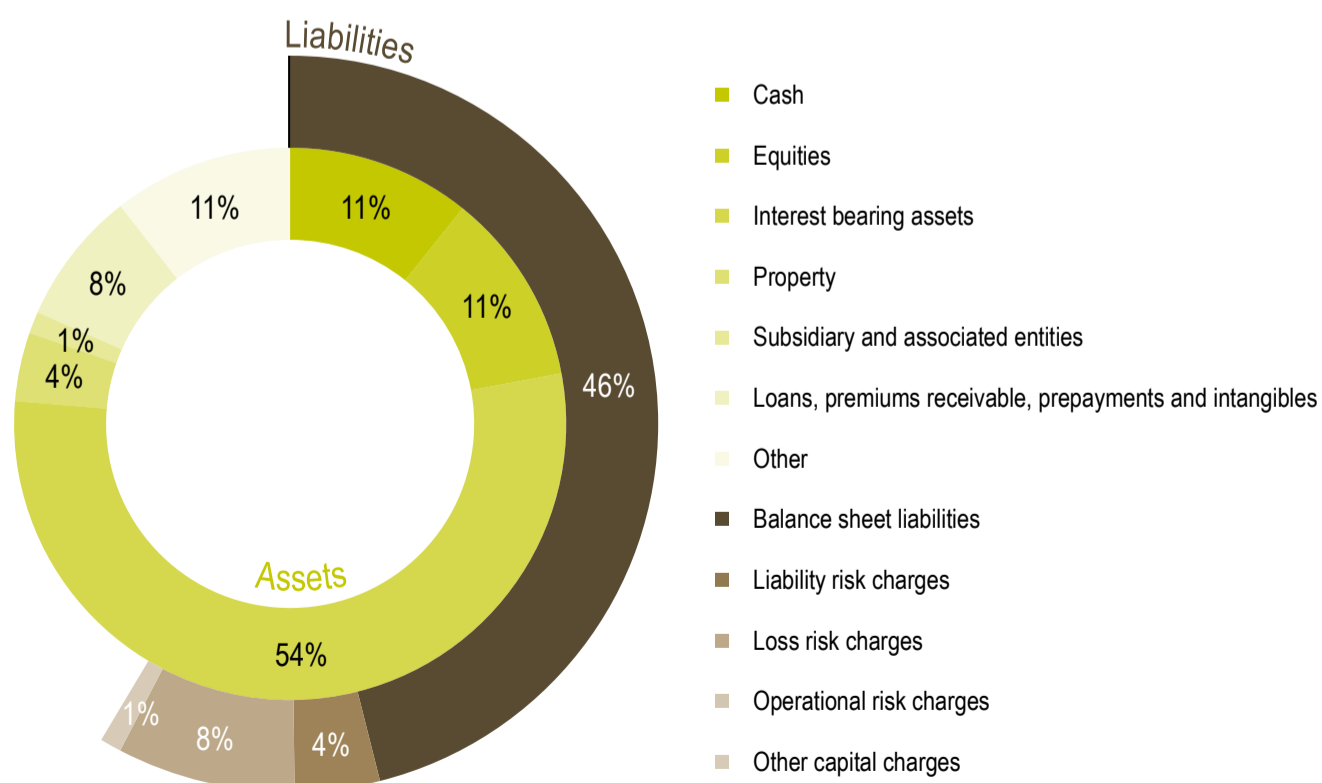
Capital Adequacy Requirement

All figures \$'000	March 2023	December 2022	March 2022
Total Liabilities	9,339,983	8,544,159	9,023,568
Liability risk charges	757,225	925,305	1,011,243
Loss risk charges	1,587,934	1,460,659	1,546,924
Operational risk charges	190,561	190,720	185,110
Other capital charges	32,909	31,537	18,851
Less subordinated debt	0	0	0
Total Capital Adequacy Requirement[#]	11,908,612	11,152,380	11,785,696

* 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 2023



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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