



STATISTICS

Quarterly private health insurance statistics

June 2023 (released 23 August 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

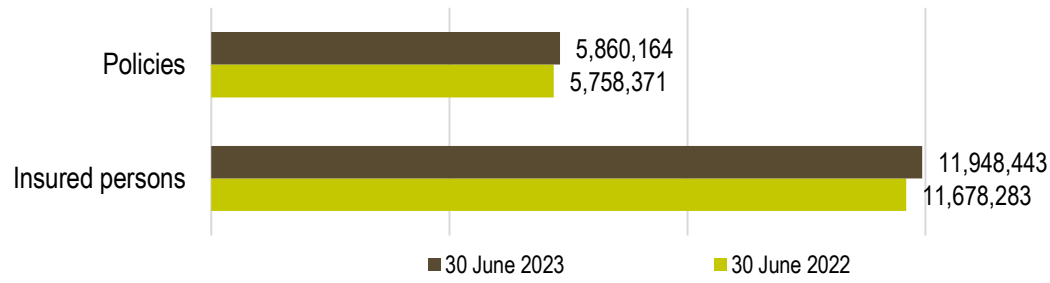
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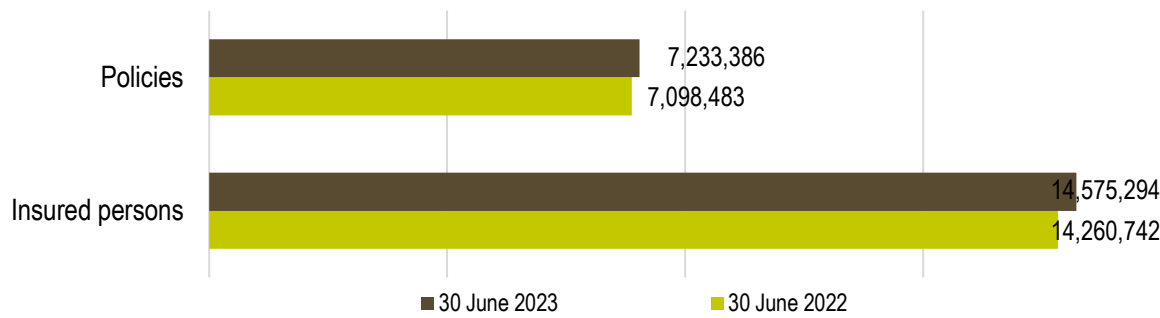
Key metrics

Hospital treatment membership



45.1% of population at 30 June 2023
 ↑ **0.1%** percentage points from 31 Mar 2023
 ↑ **69,607** insured persons over the quarter

General treatment membership

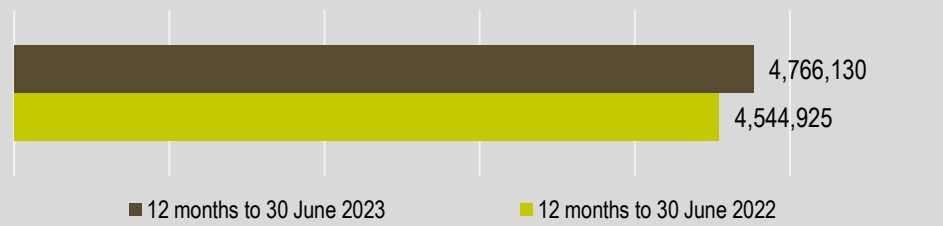


55.0% of population at 30 June 2023
 ↑ **0.0%** percentage points from 31 Mar 2023
 ↑ **83,194** insured persons over the quarter

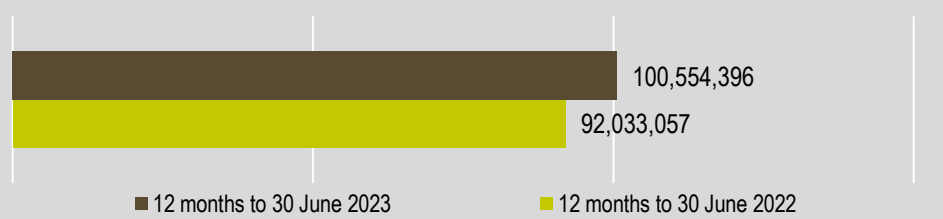
Hospital treatment episodes

↑ **4.9%** over the 12 months to June 2023
 ↑ **10.5%** compared to the March 2023 quarter

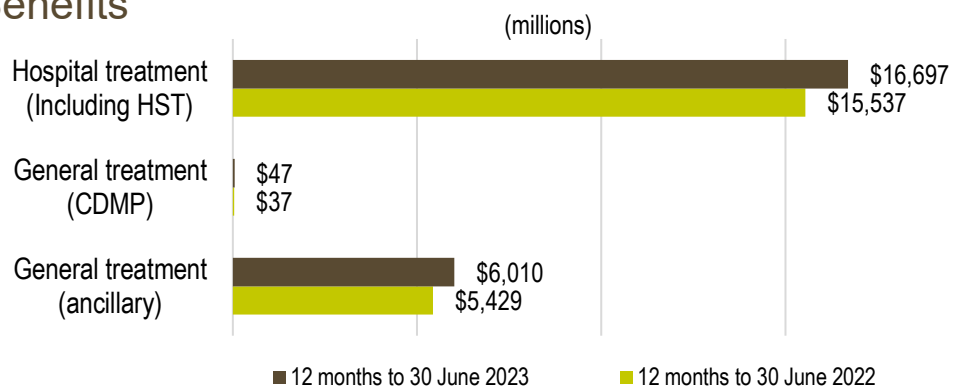
↑ **9.3%** over the 12 months to June 2023
 ↓ **-2.8%** compared to the March 2023 quarter



General treatment services (ancillary)



Benefits



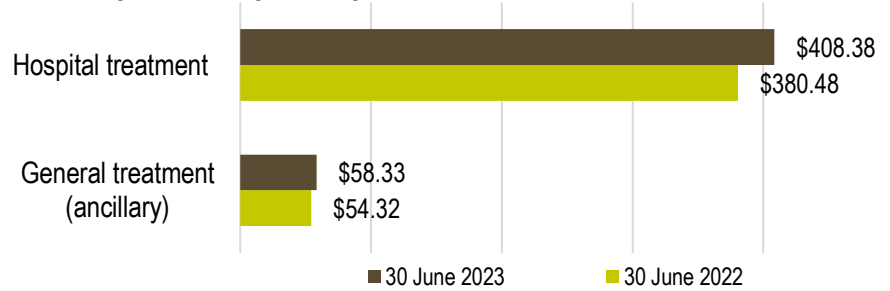
↑ **7.5%** over the 12 months to June 2023
 ↑ **14.5%** compared to the June 2022 quarter

↑ **10.7%** over the 12 months to June 2023
 ↑ **8.6%** compared to the June 2022 quarter

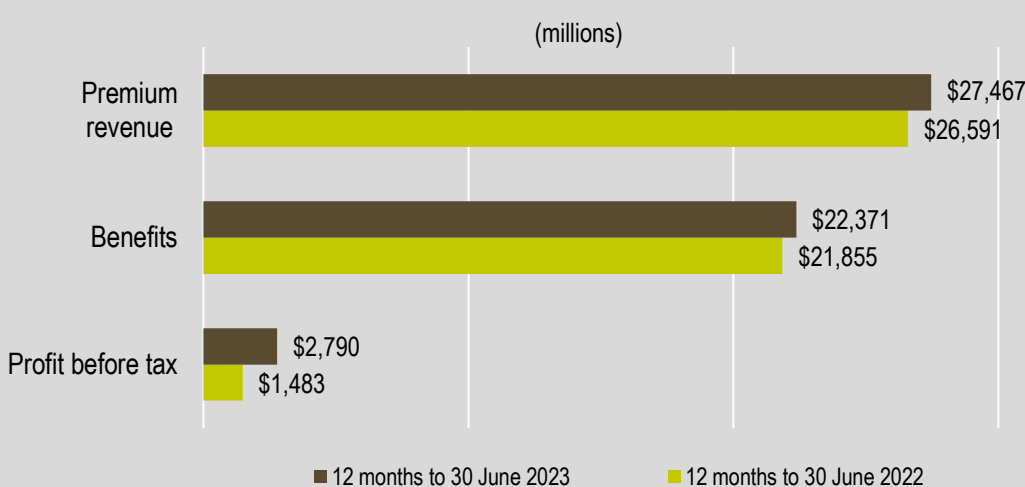
Out-of-pocket per episode/service

↑ **7.3%** over the 12 months to June 2023

↑ **7.4%** over the 12 months to June 2023



Financial



↑ **3.3%** over the 12 months to June 2023

↑ **2.4%** over the 12 months to June 2023

↑ **88.1%** over the 12 months to June 2023

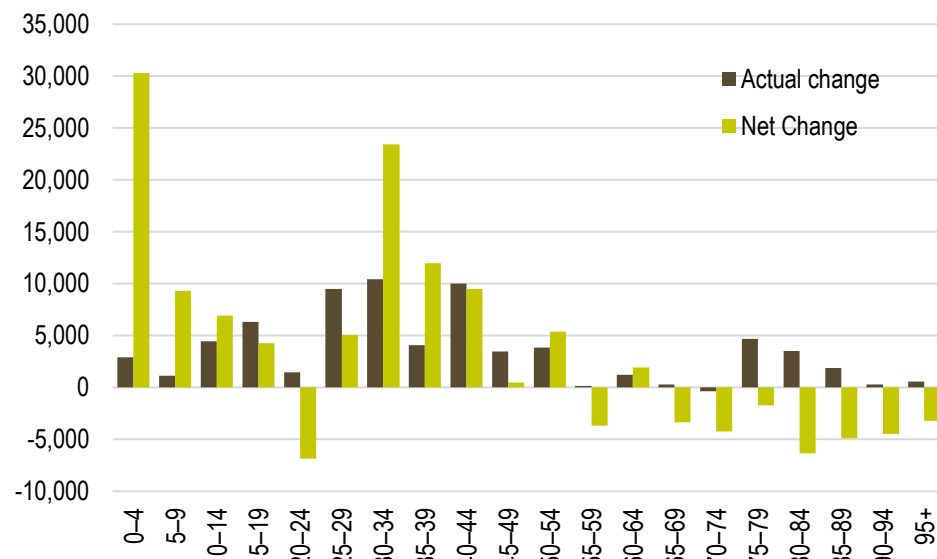
Hospital Treatment

At 30 June 2023, 11,948,443 people, or 45.1% of the population, were covered by hospital treatment cover. There was a slight increase compared to March 2023.

There was an increase in coverage of 69,607 insured people in the June 2023 quarter compared to March 2023. Family policies increased by 10,815 and single policies by 16,351 during the quarter.

The largest increase in coverage during the quarter was 10,403 for people aged between 30 and 34. The largest net increase (taking into account movement between age groups) was for the 0-4 with an increase of 30,276 people.

Net quarterly change in insured persons

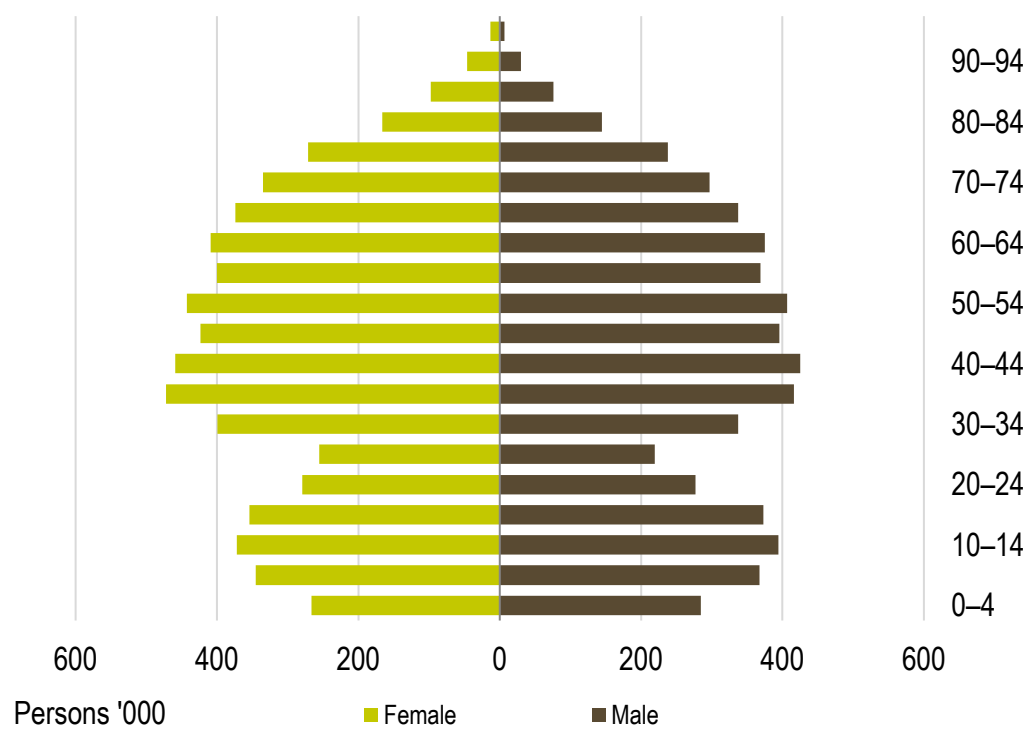


Lifetime health cover

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 30 June 2023 quarter, there were 956,561 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 44,906. There was a net increase in people with a certified age of entry of 30 (with no penalty) over the year of 104,793. Over the year, 123,276 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%	5,767,873	6,180,570	48.7%	51.3%
NSW	46.6%	53.4%	1,875,223	1,999,956	48.5%	51.5%
VIC	42.4%	57.6%	1,379,476	1,492,061	50.8%	49.2%
QLD	41.1%	58.9%	1,073,460	1,161,150	47.0%	53.0%
SA	44.7%	55.3%	394,097	430,755	49.3%	50.7%
WA	54.4%	45.6%	764,845	790,074	47.0%	53.0%
TAS	41.5%	58.5%	112,183	125,414	49.7%	50.3%
ACT	53.8%	46.2%	119,833	130,231	49.3%	50.7%
NT	39.8%	60.2%	48,756	50,929	48.9%	51.1%

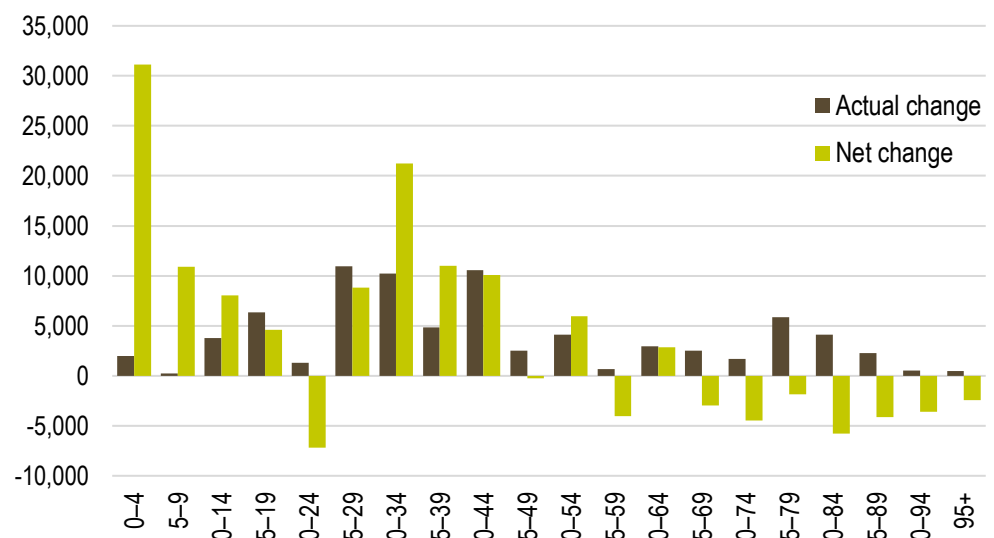
General Treatment

At 30 June 2023, 14,575,294 people or 55.0% of the population had some form of general treatment cover. There was an increase of 83,194 people when compared to the March quarter. There was an increase of General Treatment policies of 40,399 for June 2023 which was mainly driven by Single Policies which increased by 23,749. For the 12 months to 30 June 2023, the number of insured persons with general treatment cover has increased by 314,552.

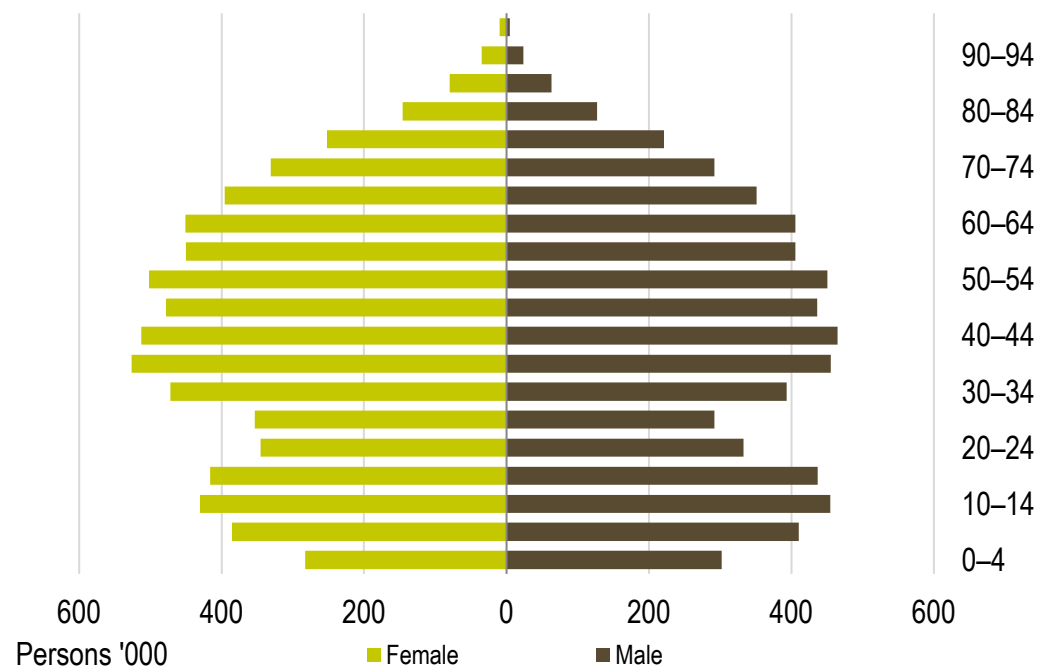
The general treatment (ancillary) by age charts and data in this report show data for those people that have general treatment policies covering ancillary services, regardless of other treatment included in the product. This excludes those general treatment policies that do not cover ancillary treatment.

There was an increase of 77,848 people with general treatment (ancillary) coverage in the June 2023 quarter. The largest net increase in coverage, after accounting for movements across age groups, was 31,148 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%	6,322,135	6,855,485	50.2%	49.8%
NSW	57.5%	42.5%	2,094,287	2,245,951	49.4%	50.6%
VIC	50.2%	49.8%	1,383,655	1,509,709	52.0%	48.0%
QLD	48.2%	51.8%	1,135,859	1,255,366	49.1%	50.9%
SA	59.5%	40.5%	484,913	536,330	50.7%	49.3%
WA	69.1%	30.9%	922,997	975,297	49.3%	50.7%
TAS	49.4%	50.6%	121,146	137,671	51.6%	48.4%
ACT	66.2%	33.8%	128,666	141,254	50.5%	49.5%
NT	44.7%	55.3%	50,612	53,907	50.4%	49.6%

Benefits Paid

Hospital treatment

Benefits per episode/service

	June 2023	Change from March 2023
Hospital Treatment		
Acute	\$2,550	4.1%
Medical	\$63	0.4%
Prostheses	\$642	-1.9%
Cardiac	\$3,673	0.2%
Hip	\$1,628	-0.8%
Knee	\$1,674	-0.6%
Total benefits and growth rate		
Hospital	\$4,492,470,450	14.3%
General	\$1,511,420,072	-5.9%

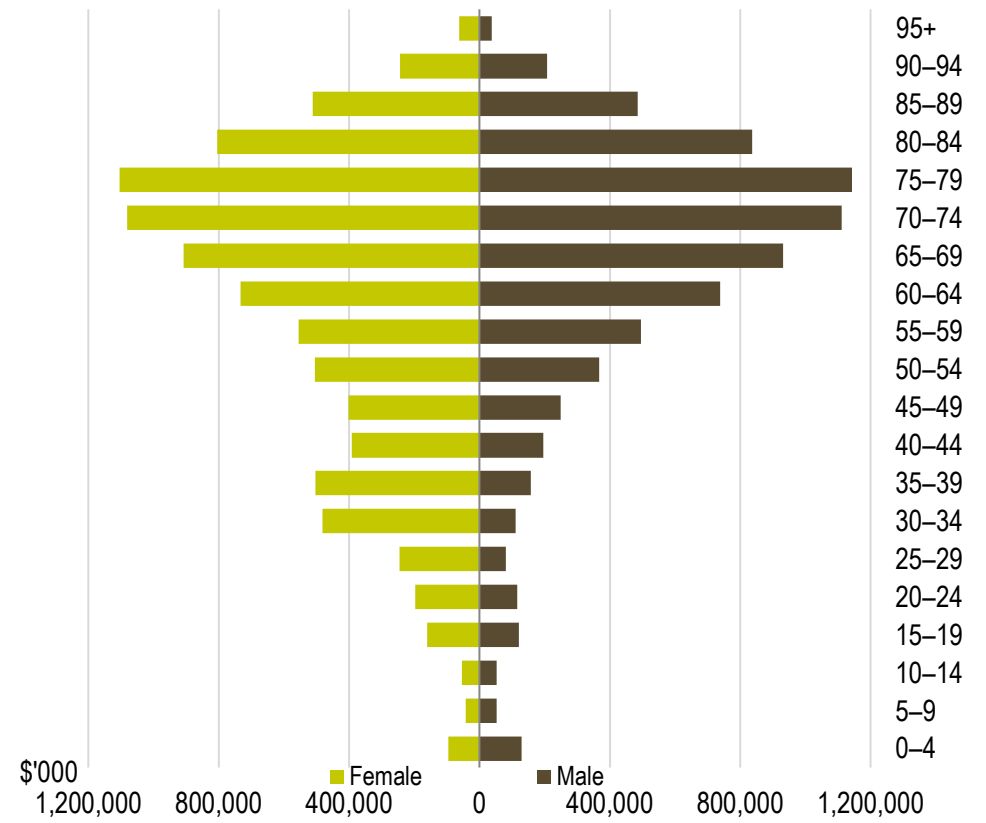
During the June 2023 quarter, insurers paid \$4,492.47 million in hospital treatment benefits, which was 14.3% higher compared to the March 2023 quarter. Hospital treatment benefits were comprised of:

- ◇ \$3,226 million for hospital services such as accommodation and nursing
- ◇ \$639 million for medical services
- ◇ \$627 million for prostheses items.

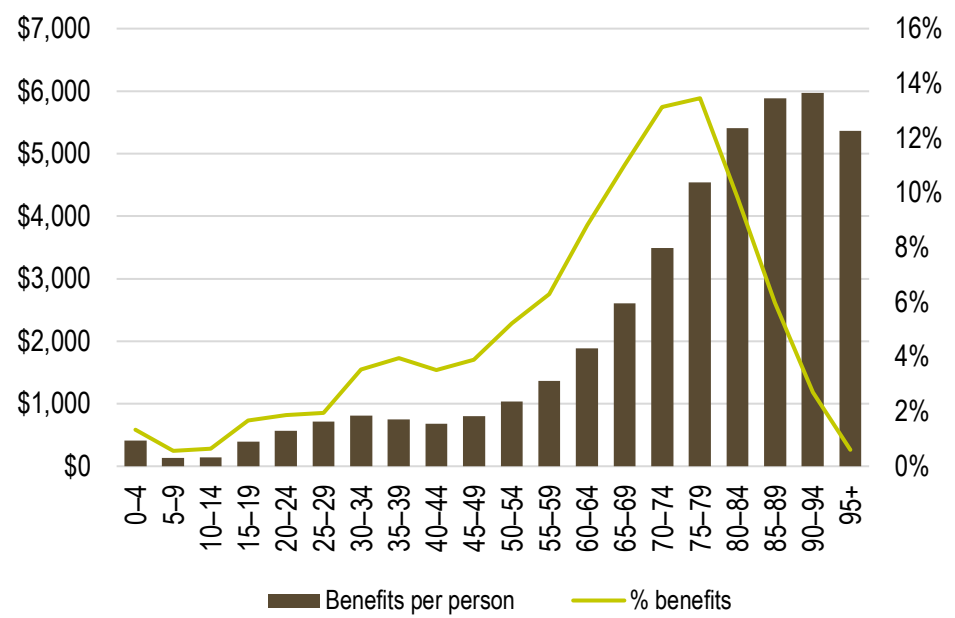
The age group for which most hospital benefits are paid is between 75 and 79 (top chart). Total benefits by age group is affected by the average benefits paid per person (displayed in the second chart) and the number of people in each age group.

Average hospital benefits per person increased from \$1,330.45 for the year ending June 2022 to \$1,397.44 for the year ending June 2023. The largest amount of benefits per person was spent on hospital accommodation and nursing, followed by medical and prostheses benefits.

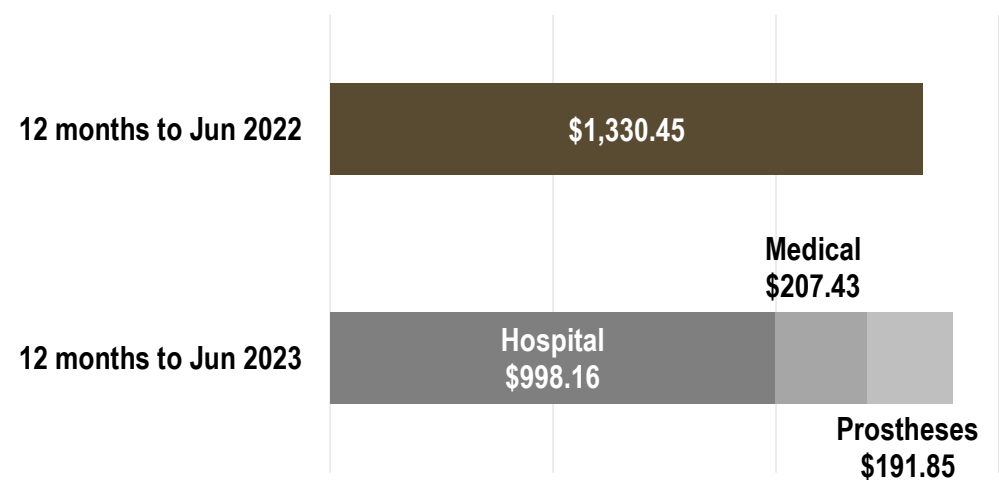
Hospital treatment benefits paid by age 12 months to 30 June 2023



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



Hospital treatment benefits per person



General treatment

Benefits per service

	June 2023	Change from March 2023
Dental	\$65	-4.3%
Chiropractic	\$34	-3.7%
Physiotherapy	\$40	-4.2%
Optical	\$79	-3.0%

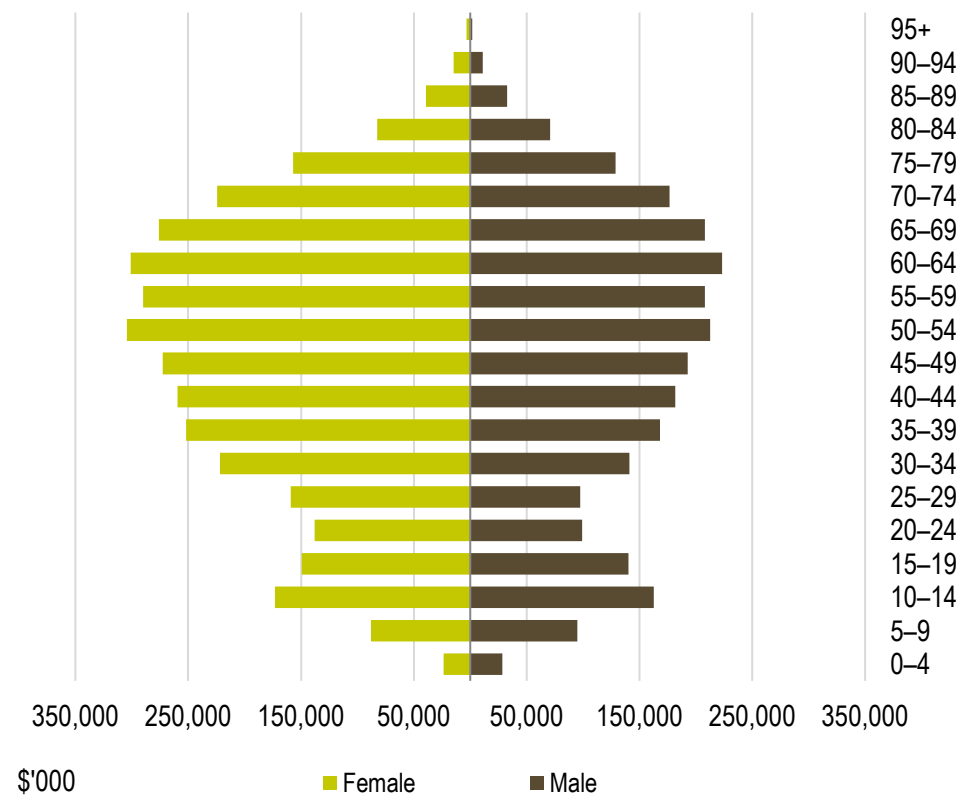
During the June 2023 quarter, insurers paid \$1,496.1 million in general treatment (ancillary) benefits. This was a decrease of 6.2% compared to the March 2023 quarter. Ancillary benefits for the June 2023 quarter included the major categories of:

- ◇ Dental \$829.2 million
- ◇ Optical \$215.5 million
- ◇ Physiotherapy \$119.5 million
- ◇ Chiropractic \$79.9 million.

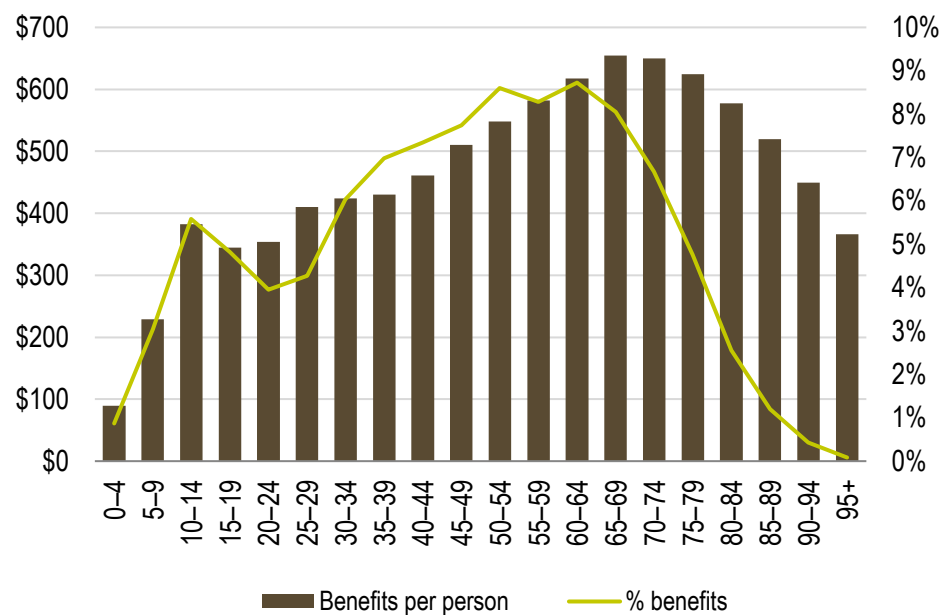
There is a marked difference between the distribution of benefits over age groups between hospital benefits and ancillary benefits. The major difference is the higher claiming rate in older age groups for hospital benefits while benefits per person for ancillary benefits are more evenly spread over the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

General treatment (ancillary) benefits per person during the year to June 2022 were \$420.82 increased to \$456.09 for the year to June 2023. The largest component of ancillary benefits is dental, for which \$249.30 was paid per insured.

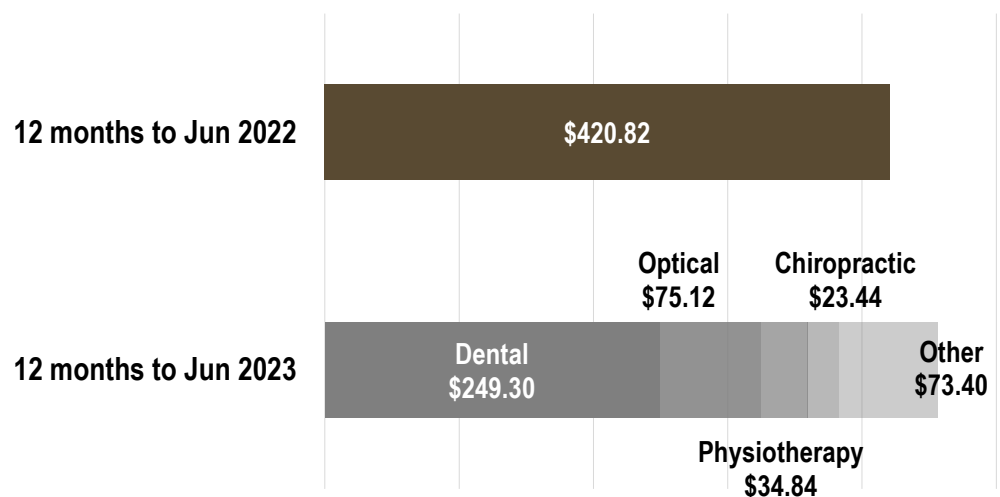
General treatment benefits paid by age 12 months to 30 June 2023 (ancillary)



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



General treatment benefits per person (ancillary)



Medical benefits

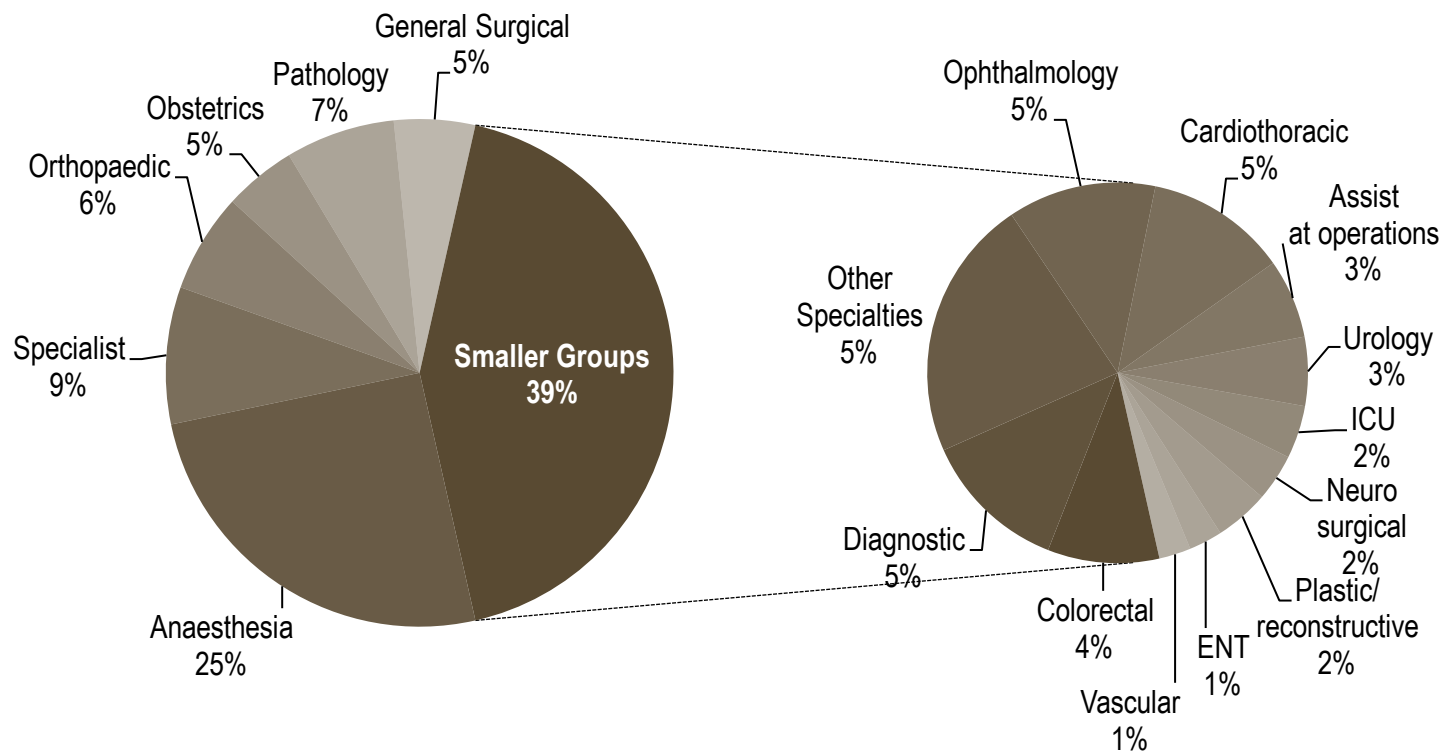
Total benefits for medical services increased 7.9% during the June quarter 2023.

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 25.3% of all medical benefits and totalling \$161.57 million.

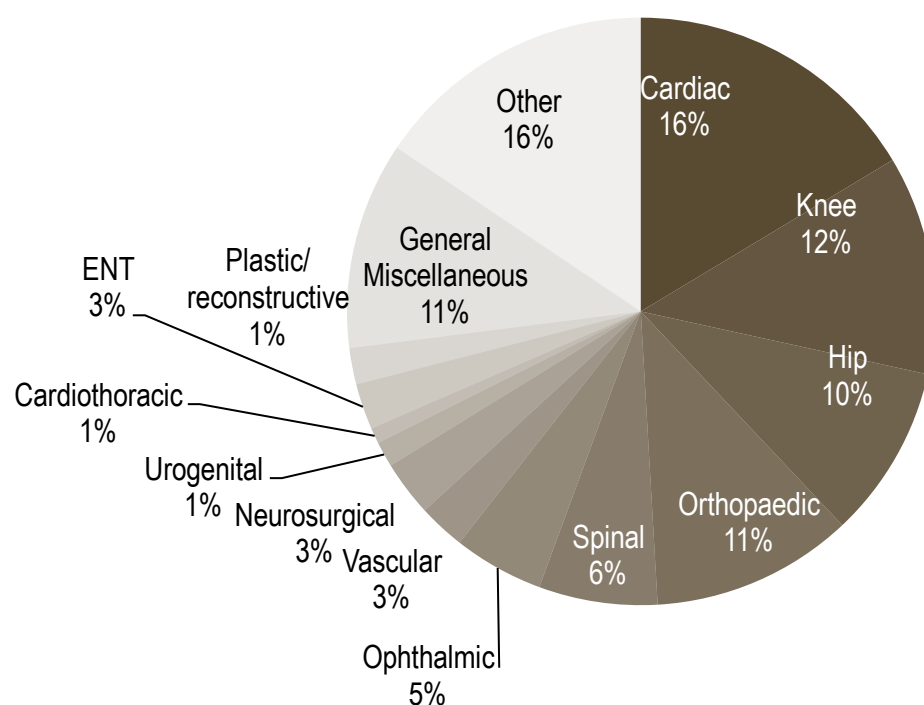
Prostheses benefits

Total benefits paid for prostheses increased by 17.9% in June 2023 compared to March 2023. 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 16.4% of all prosthetic benefits and totalling \$102.79 million.

Medical benefits by Speciality group



Benefits paid for prostheses



Service utilisation

Episodes/Services by type

	June 2023	Change from March 2023
Hospital Episodes	1,265,154	10.5%
Hospital Days	3,238,840	13.5%
Medical Services	10,158,653	7.5%
Prostheses Items	977,805	20.2%
Specialist Orthopaedic	169,452	16.6%
Ophthalmic	111,942	19.6%
Spinal	65,107	23.3%
General Treatment	25,337,962	-2.8%
Dental	12,749,541	1.3%
Chiropractic	2,351,844	-4.3%
Physiotherapy	3,019,346	-1.6%
Optical	2,719,919	-17.4%

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

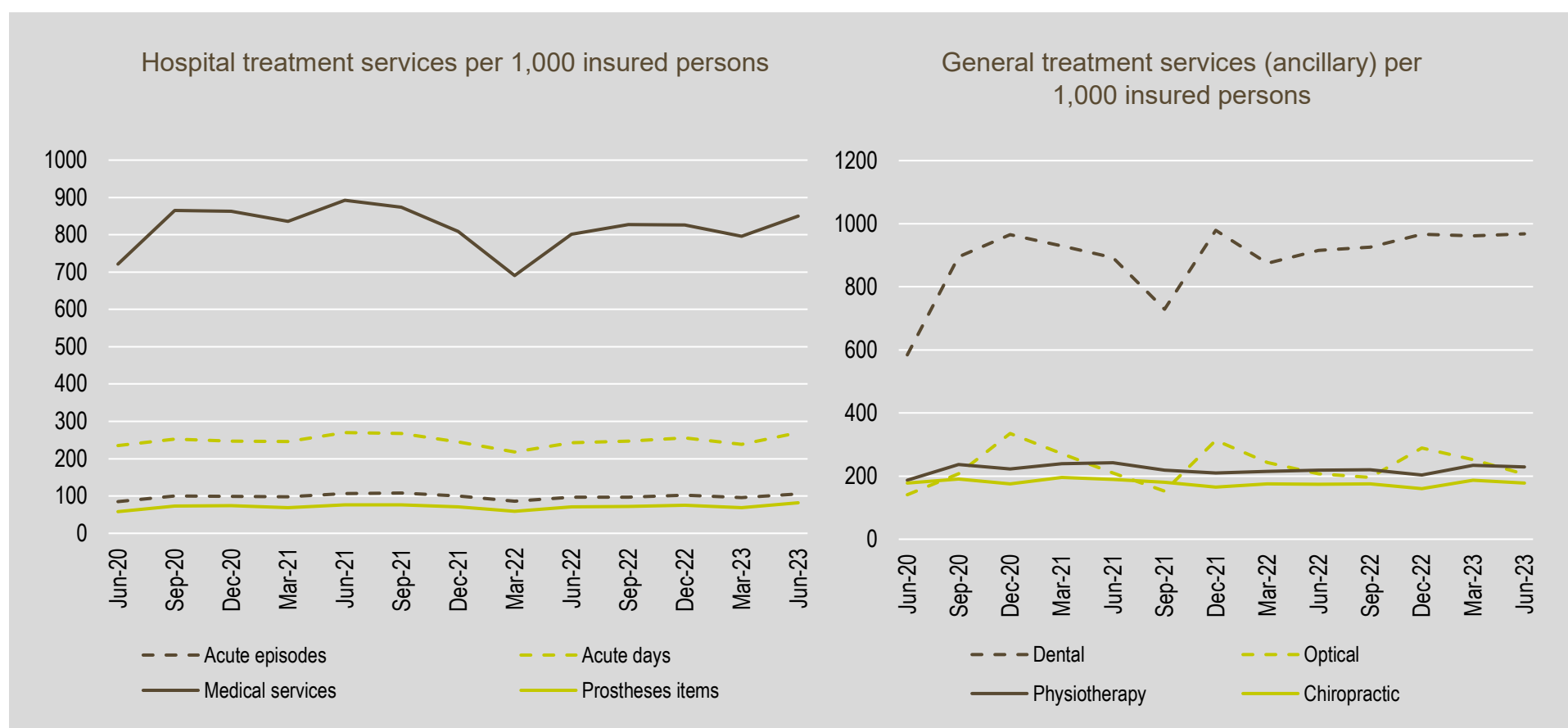
- ◇ public hospitals 171,926 episodes
- ◇ private hospitals 859,549 episodes
- ◇ day hospital facilities 170,670 episodes
- ◇ hospital substitute 63,009 episodes.

For the June 2023 quarter, hospital utilisation (measured in episodes) increased by 10.5% which was mainly driven by private hospitals.

During the June 2023 quarter, insurers paid benefits for 3.2 million days in hospital, arising from 1.3 million hospital episodes of care.

	Quarter change	Year change
◇ public hospitals	↑ 3.4%	↑ 1.5%
◇ private hospitals	↑ 12.9%	↑ 5.9%
◇ day hospital facilities	↑ 6.8%	↑ 3.4%
◇ hospital-substitute	↑ 9.6%	↑ 5.1%

Day-only episodes in the four categories of hospital totalled 884,113, with a 10.8% change compared to March 2023.



Out-of-pocket payments

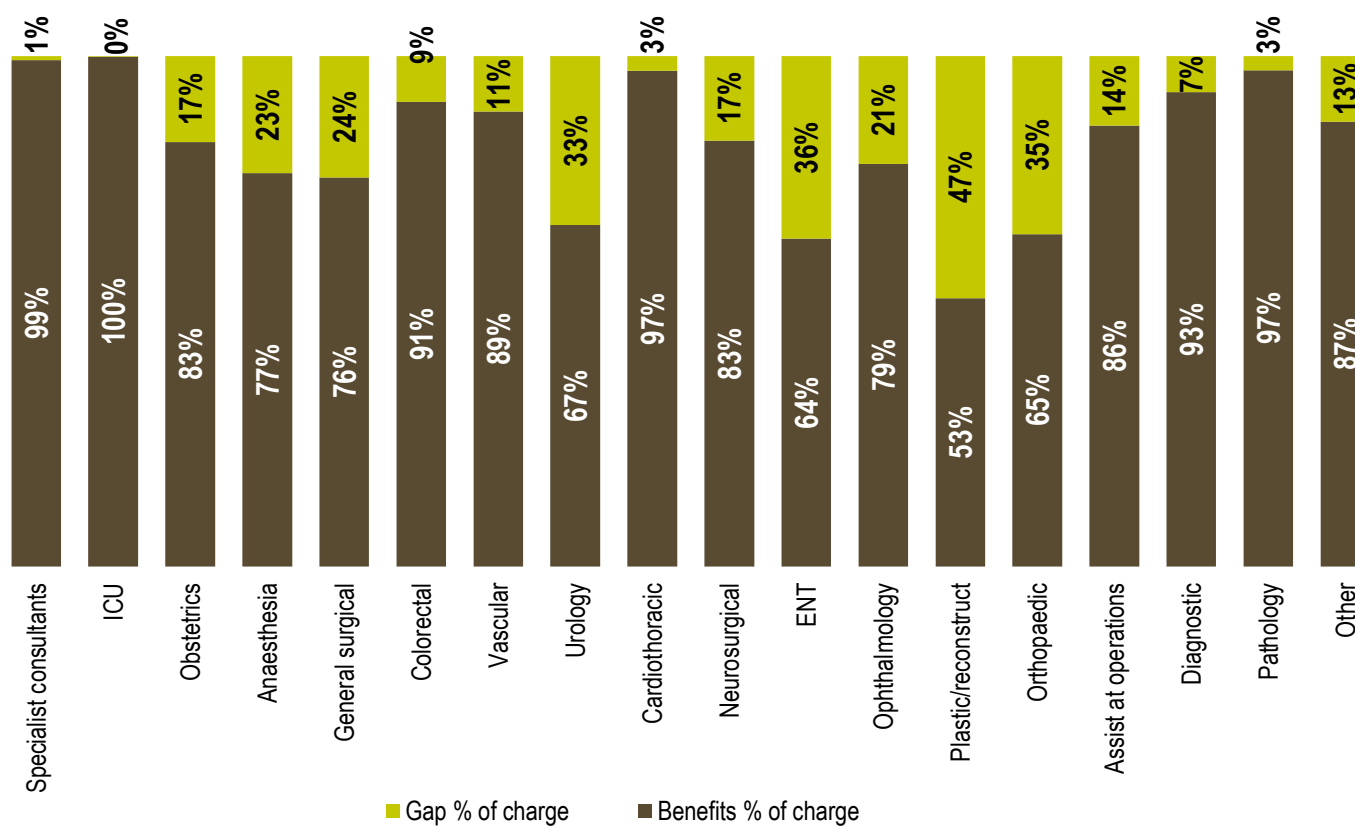
Average out-of-pocket per episode/service

	June 2023	Change from Mar 23	Change from Jun 22
Hospital treatment	\$408.38	2.1%	7.3%
Hospital-substitute treatment	\$2.91	-19.5%	-57.4%
General treatment ancillary	\$58.33	1.2%	7.4%
Medical gap where gap was paid	\$256.52	8.3%	12.9%

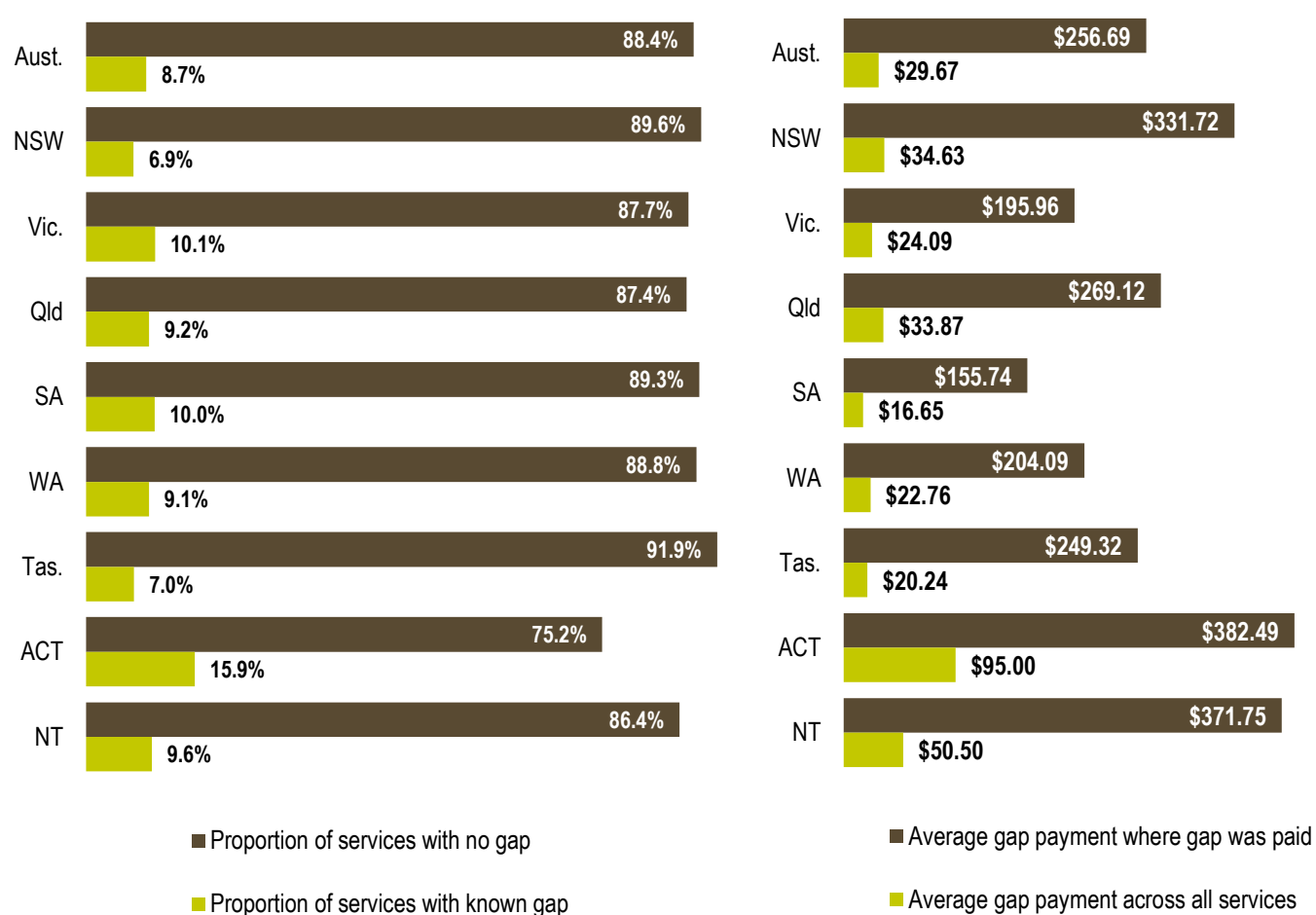
The out-of-pocket payments for hospital episodes increased by 7.3% compared to the same quarter for the previous year. Out-of-pocket payments for medical services were \$256.52 where an out-of-pocket payment was payable. The amount of gap for medical services varies depending on the specialty group. The specialty group with the largest out-of-pocket payment was Orthopaedic with an average gap of \$637.34. 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 \$408.38 in the June 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 June 2023	12 months to June 2022
Revenue		
HIB premium revenue	27,467,151	26,590,698
Net investment income	702,370	-292,514
Net HRB revenue	137,854	-84,957
Net other operational revenue	150,883	82,142
Total revenue	28,458,258	26,295,368
Benefits		
Fund benefits	22,371,416	21,854,558
State ambulance levies	275,061	256,760
Total fund benefits	22,646,476	22,111,319
Expenses		
HIB expenses	2,533,237	2,191,672
HIB claims handling	419,611	435,043
Non-operating expenses	69,093	74,085
Total expenses	3,021,941	2,700,800
Profit of the industry		
Profit/(loss) before tax	2,789,841	1,483,249
Taxation expense	602,322	440,499
Profit/(loss) after tax	2,187,519	1,042,750
Margins		
Gross margin	17.6%	16.8%
HIB expenses	10.8%	9.9%
Net margin	6.8%	7.0%

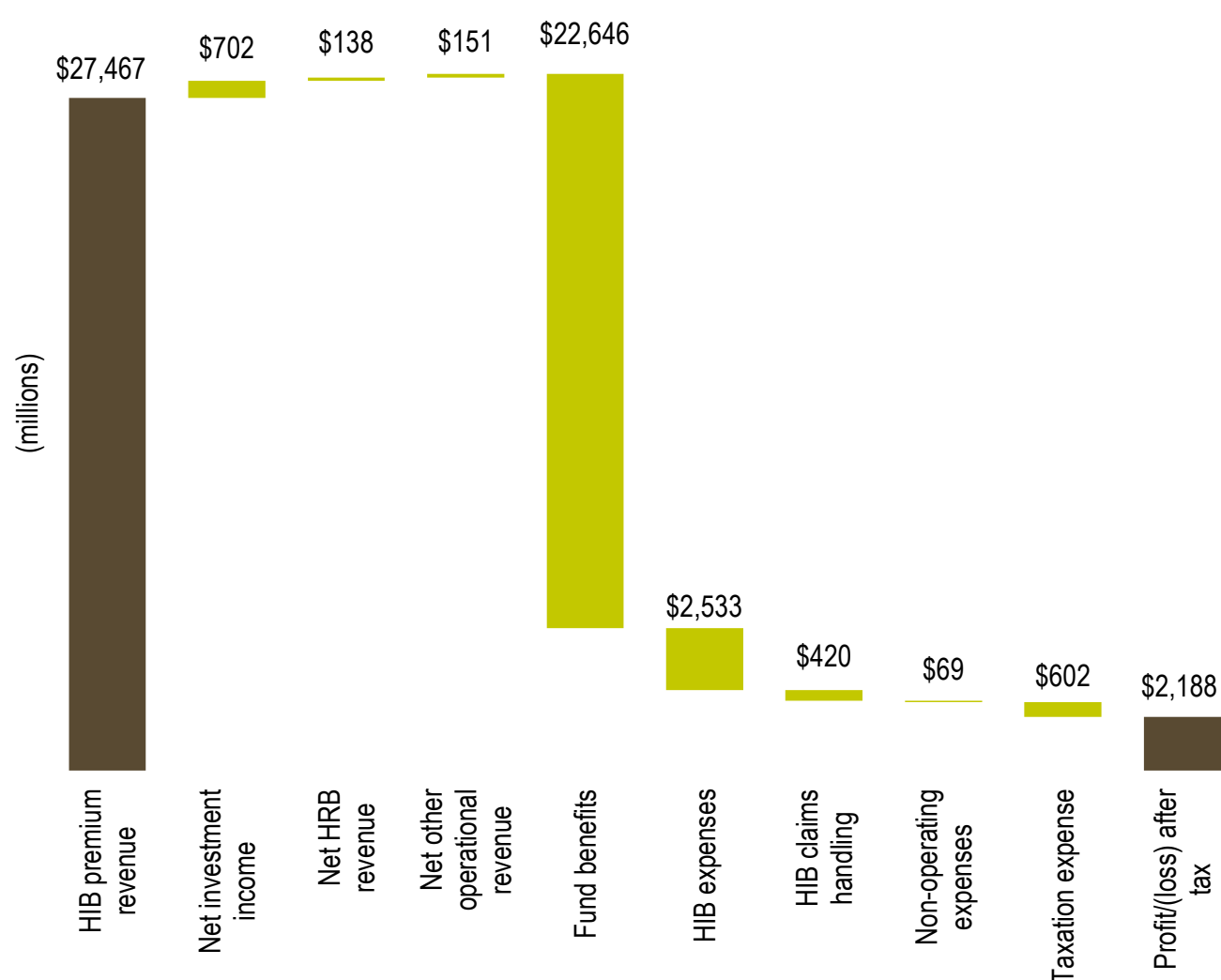
Health Insurance Business (HIB) premium revenue was up 3.3% for the year to June 2023, while total fund benefits increased by 2.4%. Gross margin increased from 16.8% to 17.6%.

Net investment income increase from - \$292.51 million in the year ending June 2022 to \$ 702.37 million in the year ending June 2023

HIB expenses as a percentage of revenue increased from 9.9% to 10.8% and net margin decrease from 7.0% to 6.80%.

Net profit after tax Increase from \$1,042.50 million for the year ending June 2022 to \$2,187.51 million for the year ending June 2023.

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



Prudential Position

All figures \$'000	June 2023	March 2023	June 2022
Assets			
Cash	1,840,219	2,178,568	1,662,037
Investments			
Equities	2,403,726	2,293,141	2,339,943
Interest bearing assets	11,088,019	11,000,545	10,993,234
Property	828,066	815,045	841,830
Subsidiary and associated entities	242,617	257,777	262,682
Loans	262,945	42,809	210,205
Receivables	52,734	55,161	41,974
Intangibles DAC and FITBS	1,413,193	1,380,728	1,237,551
Pre-paid expenses	129,961	111,514	90,328
Other*	2,073,708	2,137,735	2,126,447
Total assets	20,335,189	20,273,022	19,806,230
Liabilities			
Unearned premium liabilities	3,519,070	3,661,471	3,450,933
Unpresented & outstanding claims	2,882,011	2,715,368	2,453,409
Other fund liabilities	834,994	1,379,324	2,004,841
of which: Other insurance liabilities	700,944	1,235,901	1,871,699
Interest bearing liabilities	5,297	5,805	6,647
Payables, provisions & other liabilities	1,868,606	1,578,015	1,948,669
Total liabilities	9,109,978	9,339,983	9,864,499
Total assets minus total liabilities	11,225,211	10,933,039	9,941,731

The industry held total assets of \$20.33 billion as at 30 June 2023.

Total assets have increased by \$529 million in the last 12 months.

Total liabilities reported by the industry have decreased by \$754.52 million over the year.

Total net assets increased from \$9.94 billion in June 2022 to \$11.22 billion in June 2023.

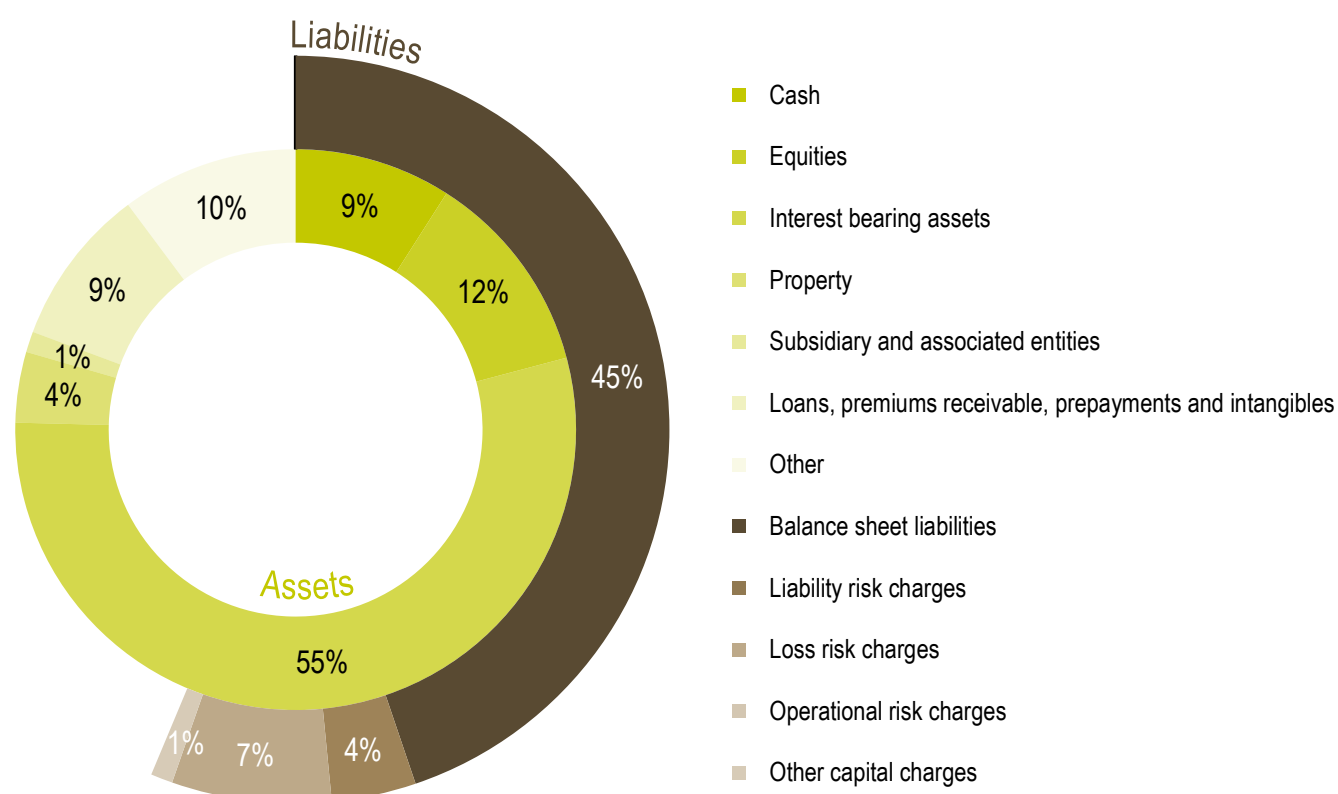
Capital Adequacy Requirement

All figures \$'000	June 2023	March 2023	June 2022
Total Liabilities	9,109,978	9,339,983	9,864,499
Liability risk charges	743,202	757,225	1,007,574
Loss risk charges	1,404,523	1,592,702	1,533,885
Operational risk charges	193,105	190,561	185,921
Other capital charges	42,862	32,909	28,827
Less subordinated debt	0	0	0
Total Capital Adequacy Requirement[#]	11,493,669	11,913,381	12,620,706

* 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 June 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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