

Quarterly statistical summary: March 2019

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

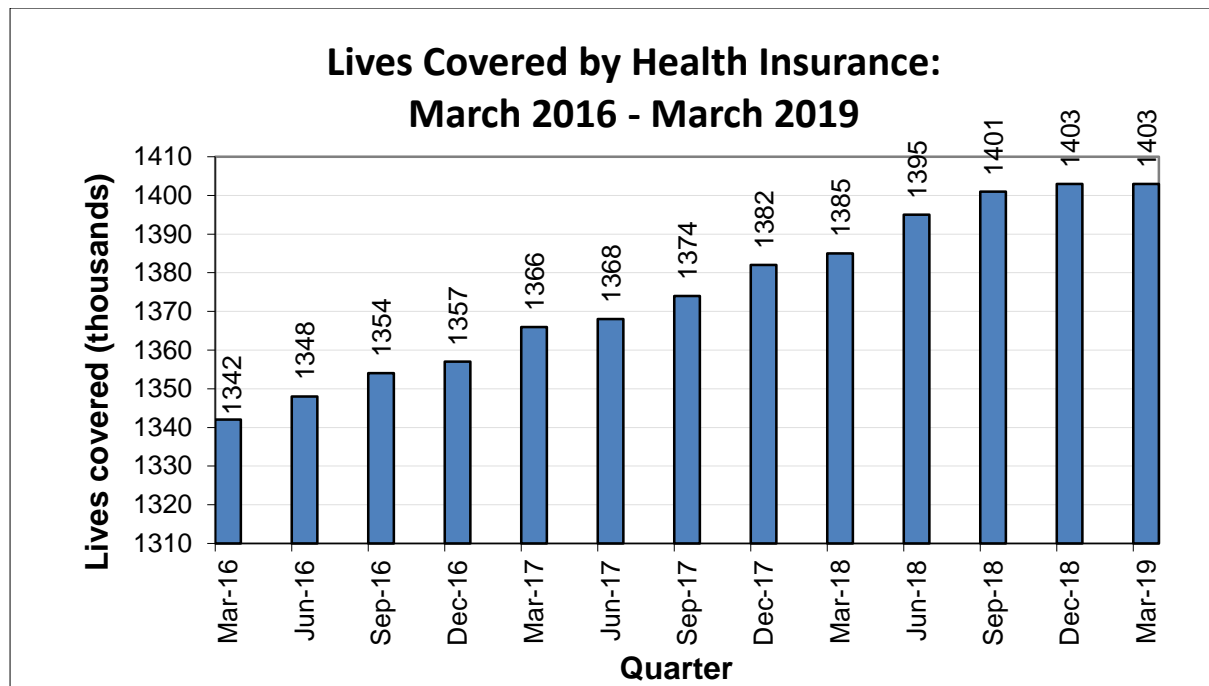
Headline changes

- ↔ Lives covered -300 for the quarter (0.0 percent); up 16,800 or 1.2 percent for the year to 1.403 million;
- ▲ Premium income of \$409 million for the quarter, up \$5 million (1.2 percent) on December quarter; annual premium \$1.586 billion, up \$132 million (9.1 percent) on March 2018 year;
- ▲ Claims paid for quarter of \$303 million, up 7.9 percent on previous March 2018 quarter; annual claims paid for March 2019 year of \$1.322 billion up \$115m (9.5 percent) on March 2018 year claims.

Lives covered

The March quarter was flat in terms of lives covered, with a slight reduction of 300 lives covered. On an annual basis, lives covered have increased by 16,800 or 1.2 percent for the year ending March 2019.

The continued growth in employment levels has helped increase PHI uptake, with an increase in the number of people opting for health insurance cover which is partly funded by their employer.



Changes in lives covered by age-group

The table below gives a breakdown of the changes in lives covered over the past year by age group.

Age	Mar 2018	Mar 2019	Change	Percent
0–4	60,600	61,116	516	0.9%
5–9	83,709	83,843	134	0.2%
10–14	86,145	87,644	1,499	1.7%
15–19	84,075	84,849	774	0.9%
20–24	77,755	77,645	-110	-0.1%
25–29	81,277	83,597	2,320	2.9%
30–34	93,564	96,715	3,151	3.4%
35–39	101,059	103,991	2,932	2.9%
40–44	107,530	107,699	169	0.2%
45–49	120,868	121,100	232	0.2%
50–54	118,006	118,148	142	0.1%
55–59	114,506	115,560	1,054	0.9%
60–64	93,873	95,129	1,256	1.3%
65–69	68,069	68,268	199	0.3%
70–74	43,565	45,128	1,563	3.6%
75–79	26,351	26,973	622	2.4%
80–84	13,783	14,273	490	3.6%
85–89	7,636	7,509	-127	-1.7%
90+	3,292	3,318	26	0.8%
Totals	1,385,664	1,402,505	16,841	1.2%

Over the past year, all but two of the age groups tracked recorded an increase in lives covered. Most of the annual growth in lives covered has come from the working age population, as interest continues to grow in employer-subsidised health insurance for staff. The year saw numbers boosted by both general employment growth, as well as growth in the availability of employer-subsidised health insurance as part of a broader focus on wellness in the workplace.

The year has also seen an increase in the number of older New Zealanders with health insurance, as the population ages and older New Zealanders maintain their health insurance – largely in acknowledgement of the increasing difficulty in accessing public-funded healthcare such as elective surgery. The number of people aged 65 and over with health insurance grew by 2800 or 1.7 percent to 165,000 – around 22 percent of the 65+ population.

Premium income

Premium income for the March 2019 quarter totalled \$409 million – up by \$5 million on the December quarter. Annual premium for the year ended 31 March 2019 was \$1.586 billion, up 9.1 percent or \$132 million on premium income for the March 2018 year.

Claims paid

Claims paid for the March 2019 quarter were \$303 million, up 7.9 percent on the previous March 2018 quarter. Total claims paid for the 12 months ending 31 March 2019 were \$1.322 billion, up 9.5 percent – or \$115 million – on March 2018 year claims.

Annual claims paid have effectively doubled over the past decade, as people have accessed both a greater volume and a wider range of services and treatments through health insurance.

The higher claims growth over the past year reflects a combination of growth in lives insured, medical inflation and higher utilisation rates. On top of additional healthcare demand expected from demographic changes, there has been a noticeable increase in demand for insurance-funded healthcare treatment in the past year as a result of the disruption in the public health sector and the adverse impact on people's ability to access healthcare through their DHB.

