

## Quarterly statistical summary: December 2015

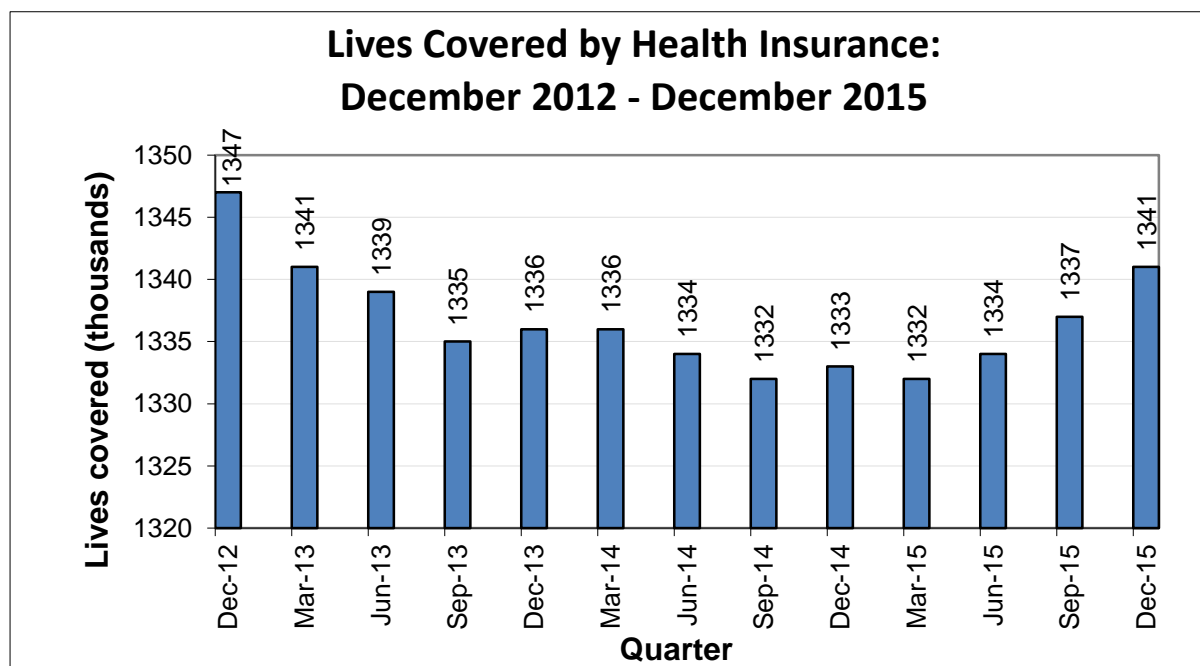
This statistical supplement sets out key health insurance statistics for lives covered, claims and premiums over the previous quarter and 12 month period, together with commentary on changes and underlying trends.

### Headline changes

- ▲ Lives covered up 4,400 or 0.3 percent for the quarter; up 8,000 or 0.6 percent for the year;
- ▲ Premium income of \$330 million for the quarter, up 2.8 percent on September quarter; annual premium \$1.280 billion, up 6.0 percent on December 2014 year;
- ▲ Claims paid for quarter of \$271 million, up 5.8 percent on previous December 2014 quarter; annual claims paid for December year of \$1038 million up 5.0 percent on December 2014 year claims.

### Lives covered

The change in lives covered was an increase of 4,400 lives covered over the December quarter. Total lives covered as at 31 December 2015 stood at 1.341 million. On an annual basis, lives covered have also increased by 8,000 or 0.4 percent for the year ending December 2015. The return to growth in lives covered over the 2015 year has been welcome.



## Elective Surgical vs Comprehensive

Over the 2015 year, the trend towards elective surgical cover continued. While there was a net increase of 8,000 lives covered, this comprised the following changes:

- Comprehensive policies – lives covered: -7,300
- Elective surgical and specialist policies – lives covered: +15,300

Elective surgical and specialist policies now account for 68.2% of all lives covered.

## 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.

Of note is the significant increase of over 6000 lives covered in the younger 25-35 age group, possibly attributable to the popularity of a newer category of comprehensive health insurance products which have found favour with this younger demographic.

The ageing population has again meant an increase in lives covered in the over 65 age group – up by almost 4000 lives covered to just over 153,000 lives covered.

*Table: Change in lives covered by Age: December 2015 year*

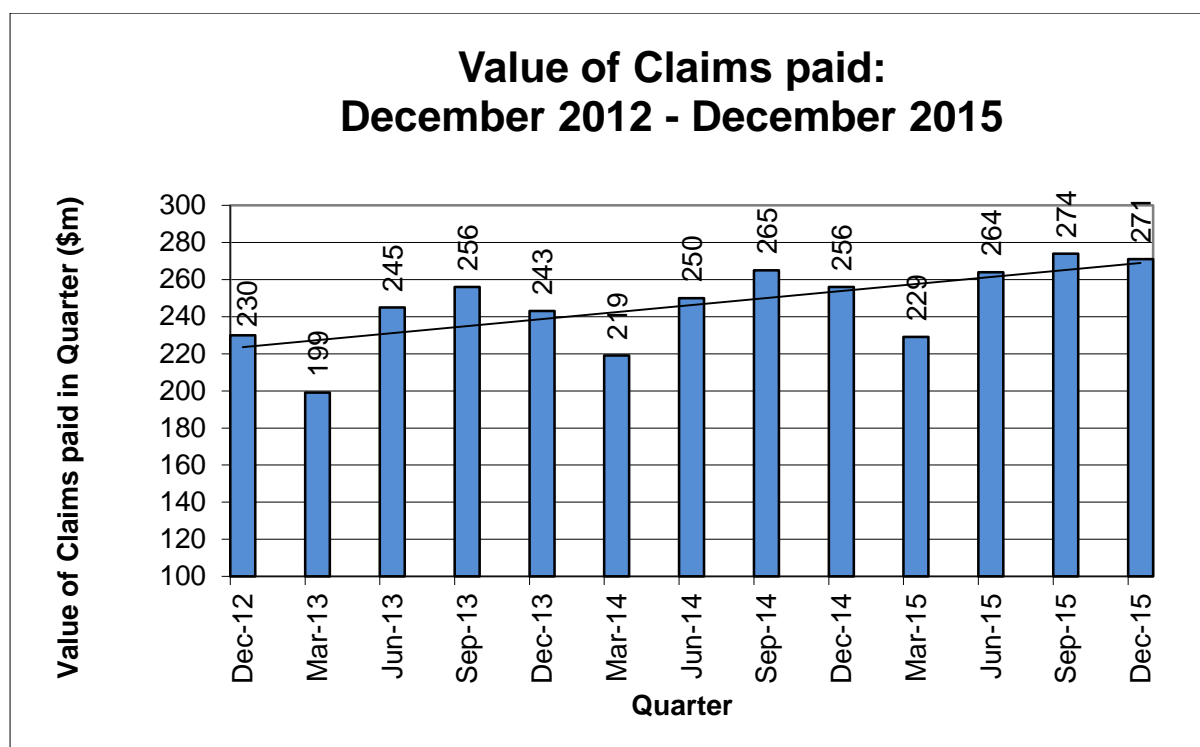
Age	Dec 2014	Dec 2015	Change	Percent
0-4	62,501	60,617	-1,884	-3.0%
5-9	83,153	83,563	410	0.5%
10-14	82,966	82,900	-66	-0.1%
15-19	85,293	84,618	-675	-0.8%
20-24	76,617	76,815	198	0.3%
25-29	69,137	72,870	3,733	5.4%
30-34	82,905	85,572	2,667	3.2%
35-39	92,882	93,541	659	0.7%
40-44	112,988	110,920	-2,068	-1.8%
45-49	115,728	117,112	1,384	1.2%
50-54	120,208	119,228	-980	-0.8%
55-59	108,467	109,689	1,222	1.1%
60-64	91,183	90,890	-293	-0.3%
65-69	66,174	67,364	1,190	1.8%
70-74	38,289	38,891	602	1.6%
75-79	21,600	23,200	1,600	7.4%
80-84	13,295	13,236	-59	-0.4%
85-89	7,298	7,514	216	3.0%
90+	2,786	2,893	107	3.8%
<b>Totals</b>	<b>1,333,471</b>	<b>1,341,434</b>	<b>7,963</b>	<b>0.6%</b>

## Premium income

Premium income for the December 2015 quarter totalled \$330 million. This was up \$9.1 million or 2.8 percent on the September quarter. Annual premium for the year ended 31 December 2015 was \$1.280 billion, up 6.0 percent or \$72m on premium income for the December 2014 year.

## Claims paid

Claims paid for the December 2015 quarter were \$271 million, up 5.8% on the previous December 2014 quarter. Total claims paid for the 12 months ending 31 December 2015 were \$1038 million, up 5.0 percent on December 2014 year claims.



The strong growth in claims paid recorded over recent quarters has seen annual claims paid climb to the \$1 billion mark in the first quarter of 2015. Annual claims for the December 2015 year are a little higher at \$1.038 billion. This underpins the valuable contribution health insurance makes to healthcare funding in New Zealand – with total claims virtually doubling over the past decade.

