

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS INSURANCE SECTOR

#### HBF

**HBF01QW:** In the period January 2019 to June 2020, per month:

- a. How many elective surgery procedures were covered, in each category (ie in Category 1-3 of elective surgery)?
- b. What was the amount of benefits paid out to policy holders for elective surgery procedures, in each category?
- c. How many claims were made for elective surgery procedures, in each category?

**Answer:** The categorisation of elective surgeries is a tool used in the public hospital system (and not in private hospitals) to prioritise patients and procedures. Private health insurance claims are therefore not categorised on this basis.

When the government-mandated restrictions on hospital surgical procedures were introduced, with reference to elective surgery categories, private hospitals formed a view on which categories the procedures they performed may fall into in order to comply with the government measures. This approach was not formalised and was not shared with the private health insurers.

It is therefore not possible for HBF to provide the specific information requested. However, the table below sets out the number of surgical procedures covered in total between January 2019 and June 2020 and the benefits paid to members.

Given the short period of time that the surgery restrictions were in place, we expect that any impacted surgical procedures were postponed, rather than cancelled. For the purposes of preparing our financial statements at 30 June 2020, we have had to assess the value of the deferred claims, and the amount that we expect to return. Our actuarial assessment of the claims that did not eventuate during this period is \$68.2 million for hospital benefits. One hundred per cent of this amount returning is allowed for in the deferred claims liability.

**Hospital Benefits and Number of Procedures  
January 2019 to June 2020**

<b>Month</b>	<b>Benefits</b>	<b>Episodes</b>
1/01/2019	88,742,020	22,821
1/02/2019	97,598,031	25,255
1/03/2019	95,782,995	25,238
1/04/2019	90,609,209	23,853
1/05/2019	109,697,857	27,971
1/06/2019	95,660,338	24,247
1/07/2019	101,869,350	26,730
1/08/2019	105,546,419	26,829
1/09/2019	93,141,228	24,634
1/10/2019	105,351,501	27,173
1/11/2019	104,109,112	26,151
1/12/2019	86,449,047	21,976
1/01/2020	87,116,872	22,373
1/02/2020	95,502,697	24,752
1/03/2020	88,601,363	22,863
1/04/2020	50,661,219	13,293
1/05/2020	78,557,437	19,555
1/06/2020	87,129,882	22,952