



House of Representatives Standing Committee on Economics - Review of the four major banks and other financial institutions insurance sector

nib response

NIB03QW – In the period January 2019 to June 2020, per month:

- How many elective surgery procedures were covered, in each category (i.e. in Category 1-3 of elective surgery)?*
- What was the amount of benefits paid out to policyholders for elective surgery procedures, in each category?*
- How many claims were made for elective surgery procedures, in each category?*

Elective surgeries are classified into three categories (1, 2 and 3) in the public hospital system to prioritise patients and procedures.

The private health system does not use these categories to classify elective surgeries and as a result, hospitals do not provide this information when they submit claims on behalf of our members.

As such, nib is unable to provide data relating to these categories for the period as requested.

For the period 1 January 2019 to June 2020, benefits payable under nib's Overseas Visitors Covers and Private Health Insurance Covers were as follows:

Admission Month	Episodes	Benefits
Jan-19	24,744	\$69,010,749
Feb-19	27,627	\$80,580,308
Mar-19	29,495	\$86,865,285
Apr-19	27,820	\$79,504,712
May-19	31,807	\$92,108,523
Jun-19	28,111	\$84,195,024
Jul-19	31,093	\$91,020,566
Aug-19	30,889	\$90,953,519
Sep-19	29,159	\$87,153,836
Oct-19	31,276	\$92,708,900
Nov-19	31,265	\$95,022,576
Dec-19	26,686	\$77,332,898
Jan-20	25,307	\$71,790,929
Feb-20	28,617	\$84,078,411
Mar-20	28,344	\$87,421,114
Apr-20	16,193	\$47,209,073
May-20	22,360	\$69,618,730
Jun-20	26,833	\$81,907,034



It is important to note that while the impact of the Commonwealth's suspension of elective surgery in response to the initial onset of COVID-19 restricted hospital treatment during April and May 2020, the full impact of the pandemic on healthcare treatment and claims remains unclear.

nib expects most of the elective surgery scheduled for this period (April to May 2020) has been postponed, not cancelled due to the pandemic, and along with the broader industry, expect a "claims catch-up" to materialise over coming months. As such, we have included in our FY20 Group accounts a \$98.8 million provision for deferred claims that we expect to return in the year ahead.

In March 2020, nib implemented a comprehensive COVID-19 support package to assist its members and the community during the COVID-19 pandemic.

To date our support package totals more than \$45 million and includes the six-month postponement of the 1 April 2020 health insurance premium increase as well as premium waivers and suspensions. We also waived the 1 October 2020 premium increase for six months for our arhi members on JobKeeper and JobSeeker.

To ensure our members had access to appropriate health cover, we also expanded coverage for chest, lung, kidney and bladder or other treatment related to COVID-19 across all levels of hospital cover at no additional cost.

To view more details on the support package please visit nib.com.au/covid19