

How age affects the value and cost of health insurance



Age is one of several factors that contribute to increasing health insurance premiums, reflecting the increased value cover typically provides as we age.

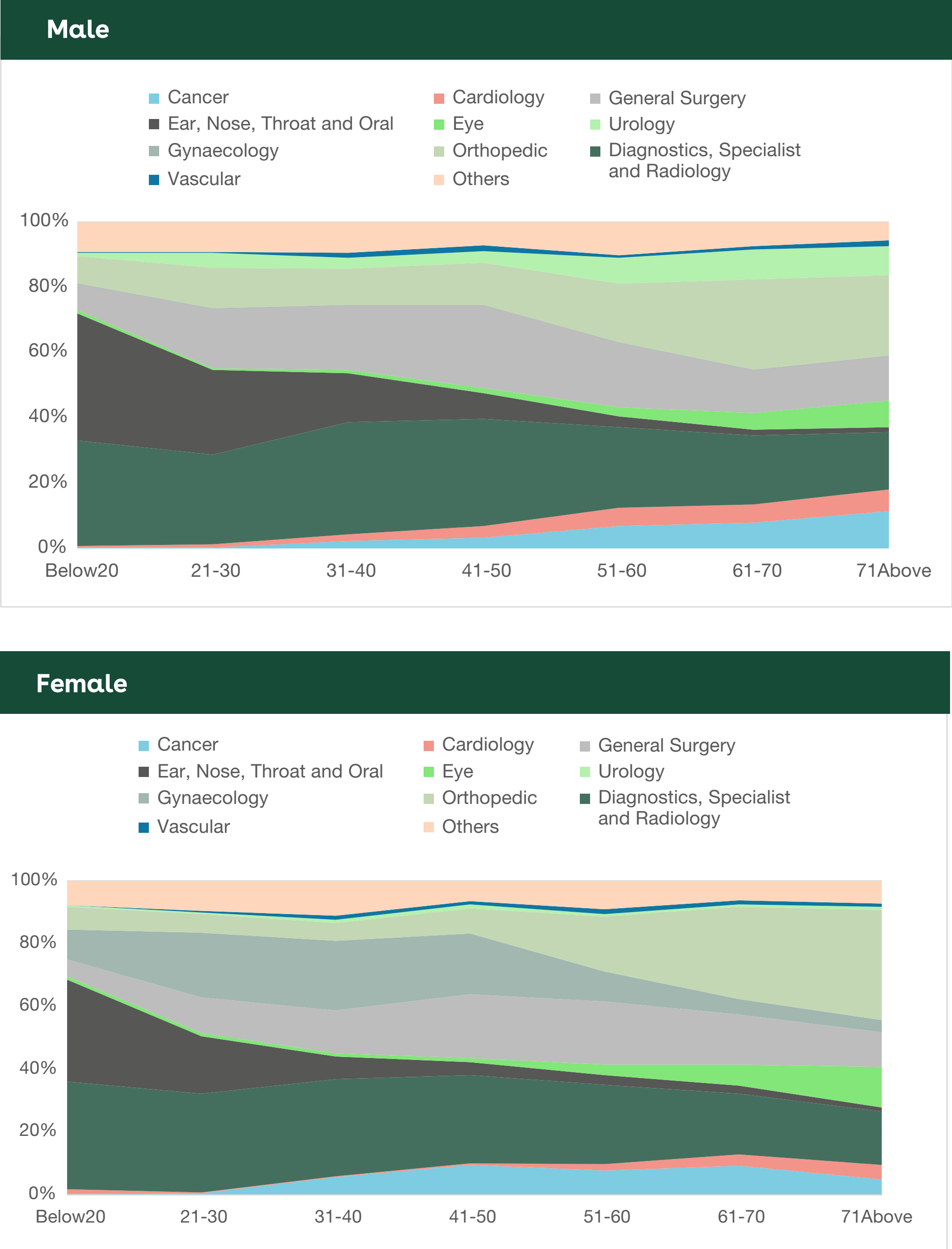


Different treatments

Changes to the types of treatment we need as we age affect our premiums. The cost of treatments required by older people tend to be more expensive than those of younger people.

As an example, using grommets to treat ear and hearing problems is a relatively cheap treatment for young people, and the need for grommets usually diminishes as they enter adulthood. However, the need for more expensive procedures like joint replacement or cardiac surgery tends to emerge later in life.

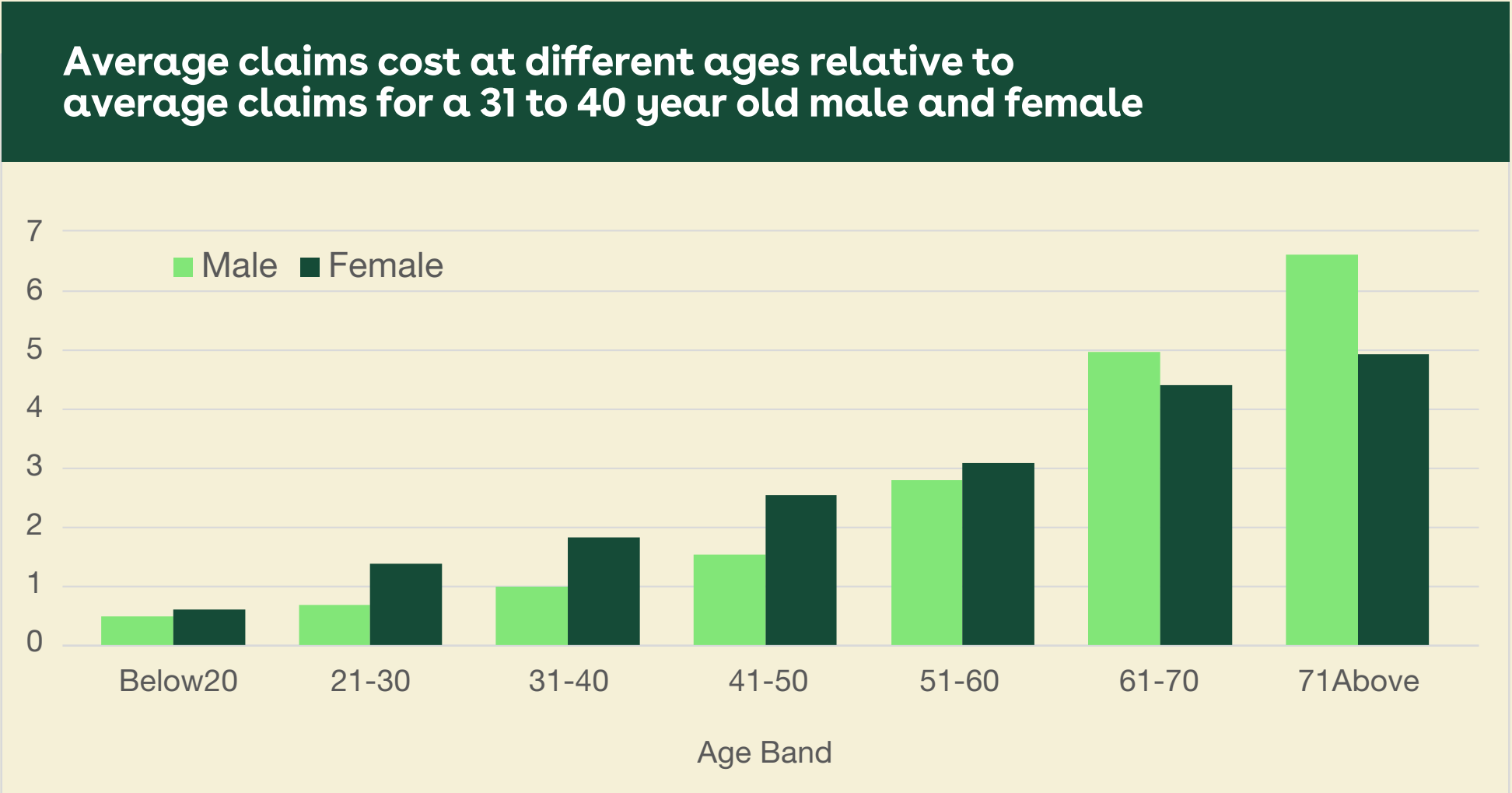
The two graphs below illustrate our changing needs for treatment. One is for men and one for women; both show the changes in the treatments we require as we age.



Charts: Last updated May 2025



The chart below, taken from claims nib clients have made, shows how premiums reflect how older people increasingly make use of their cover. You'll note the differences in claims costs for men and for women and how these follow different upward trends as we age.



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While age is a major influence, there are other reasons for premium increases. Refer to our article **‘Medical inflation and how it contributes to health insurance premium increases’** for more information about medical inflation, other factors which influence the cost of premiums, and how these underlying reasons often reflect that clients are getting better value from their health insurance.