

Keeping up with claims



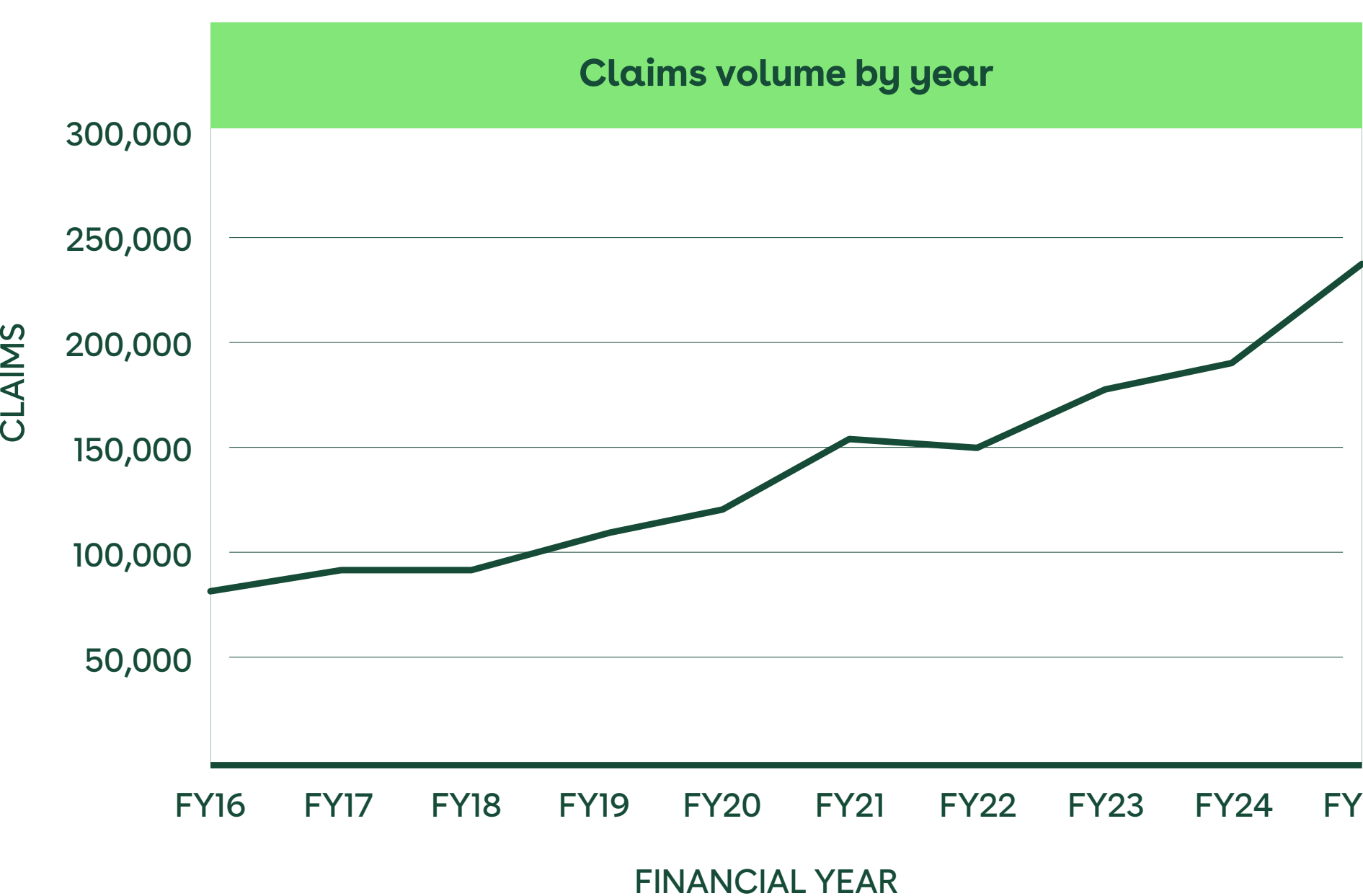
As a private health insurer, claims activity plays a large part in how nib’s business operates. There are a number of factors that inform our decision making including the number of claims we receive, the volume being serviced per policy, and the rising costs of doing so.

Talking to your clients about what’s happening with claims can help them understand changes to their policies and premiums.



Claims volumes

You have likely noted an increase in the number of claims coming through from your clients. The volume of claims nib receives has been steadily growing since 2016, as shown in the graph below. Our data reveals that the volume of claims processed has increased substantially in the last financial year (1 July 2024 to 30 June 2025), and by 93% over the last five years.

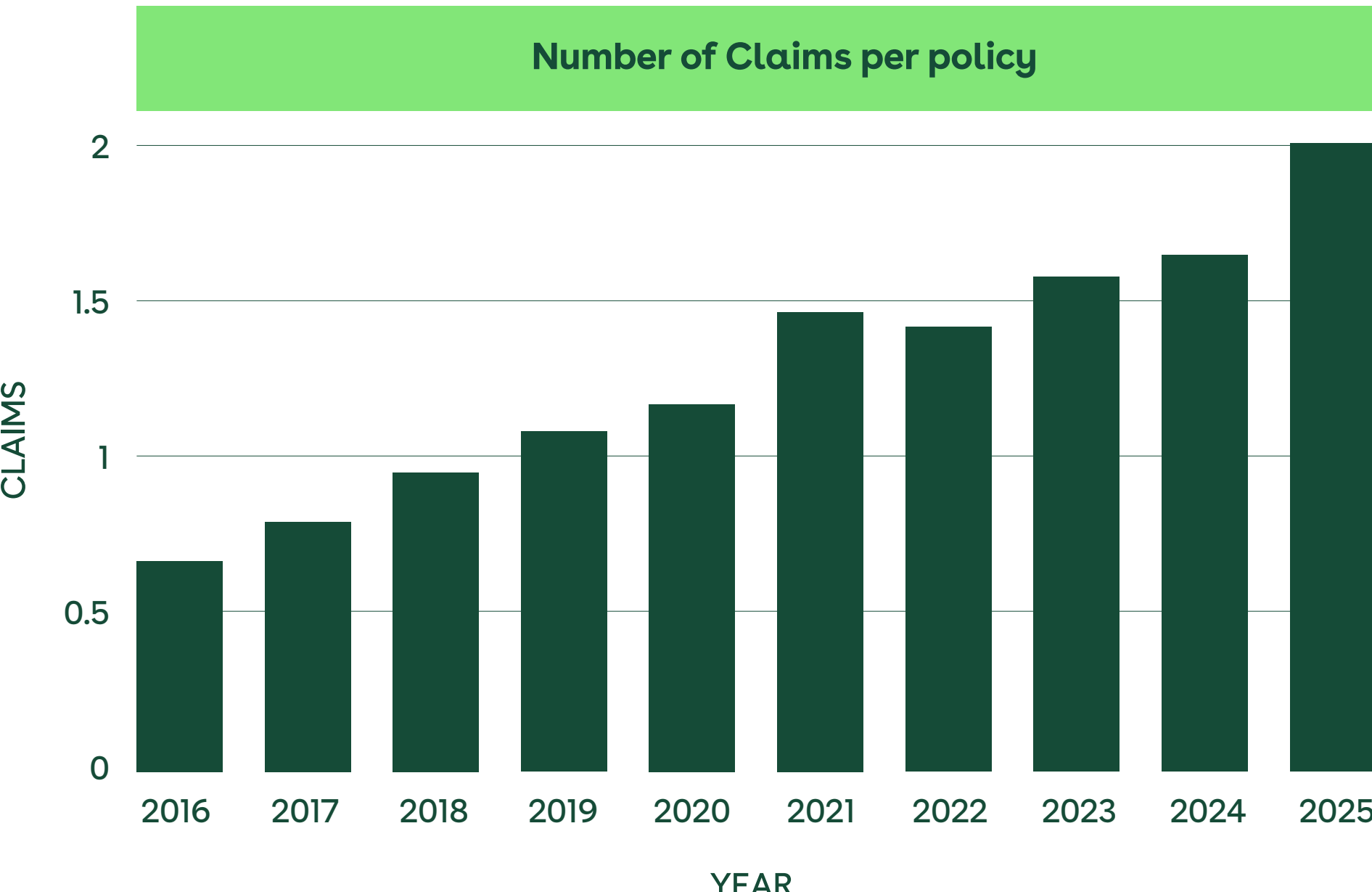


Data updated November 2025.



Claims utilisation

In addition to claims volumes increasing, we’re also seeing an increase in the number of claims being made per policy. Comparing the last financial year (1 July 2024 to 30 June 2025) to the same period the year prior, utilisation increased close to 18%, up 43% in the last five years. In the last financial year (1 July 2024 – 30 June 2025) an average 2.08 claims were made per policy, up from 1.68 in the financial year prior (1 July 2023 – 30 June 2024). While this points to some members getting greater value from their policy, it does drive up the cost of servicing claims.

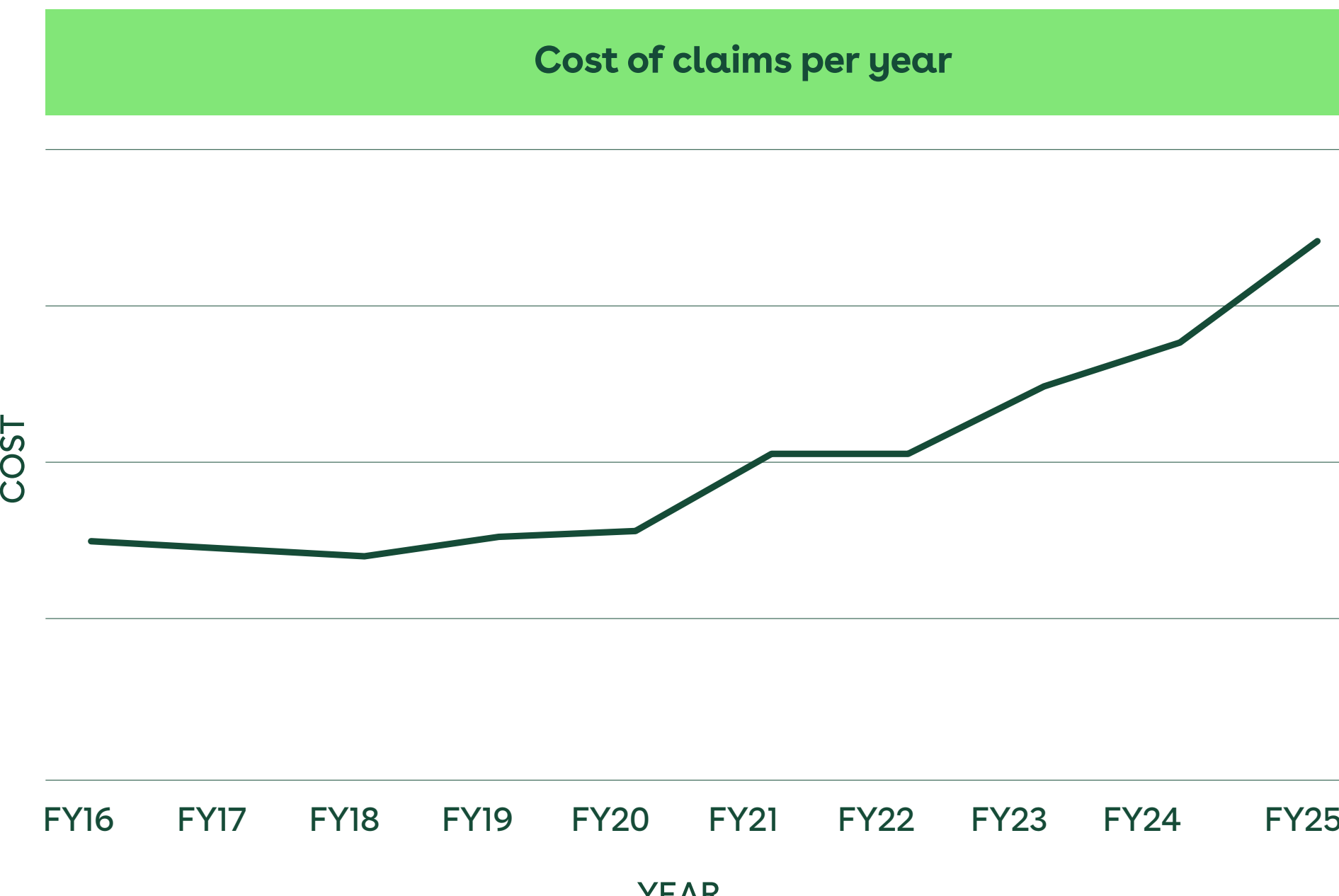


Average of 2.08 claims made per policy in the last 12 months to 30 June 2025.



Cost of claims

With the increase in both claims volume and utilisation, the dollar value of claims processed has also been rising. In the last financial year (1 July 2024 to 30 June 2025), nib saw an increase of 22% and the cost of claims is up a significant 117% in the five years from 2020. Additionally, the increases across the healthcare sector, driven by medical cost inflation and rising salaries and wages, have also contributed to this trend.



Data updated November 2025.

What this means for your clients

As our data and the rising costs of providing healthcare show, the costs of delivering much needed healthcare via private health insurance are increasing. The combination of medical cost inflation and claims inflation is driving what appears to be a structural shift in the health market that we don’t expect to change in the short or medium term.

At nib, we recognise that putting through high premium increases year-after-year can’t be the only approach to tackling the challenge of prolonged and unprecedented claims inflation. We will continue to take proactive steps to ensure our products remain sustainable, regularly reviewing both pricing and product.

We know premium increases and policy updates will raise questions for your clients and we are committed to supporting you in having helpful conversations with them. In addition to sharing information about changes in claims, we have a variety of resources to help guide and inform these conversations, all while reminding your clients about the benefits they receive through private health insurance:

- Medical inflation and how it contributes to health insurance premium increases.
- How age affects the value and cost of health insurance.
- Providing advice to clients who are concerned about the cost of their health insurance cover.

Our member lifecycle team is also here to help. Remind your clients they can contact the team via the my nib app for more advice and tools. You will be kept informed if your client reaches out so you can also get in touch with them to check in.

Together, we can help your clients navigate changes to their cover, ensuring they continue to have the peace of mind that private health insurance provides.

