

Keeping up with claims



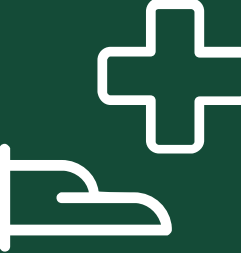
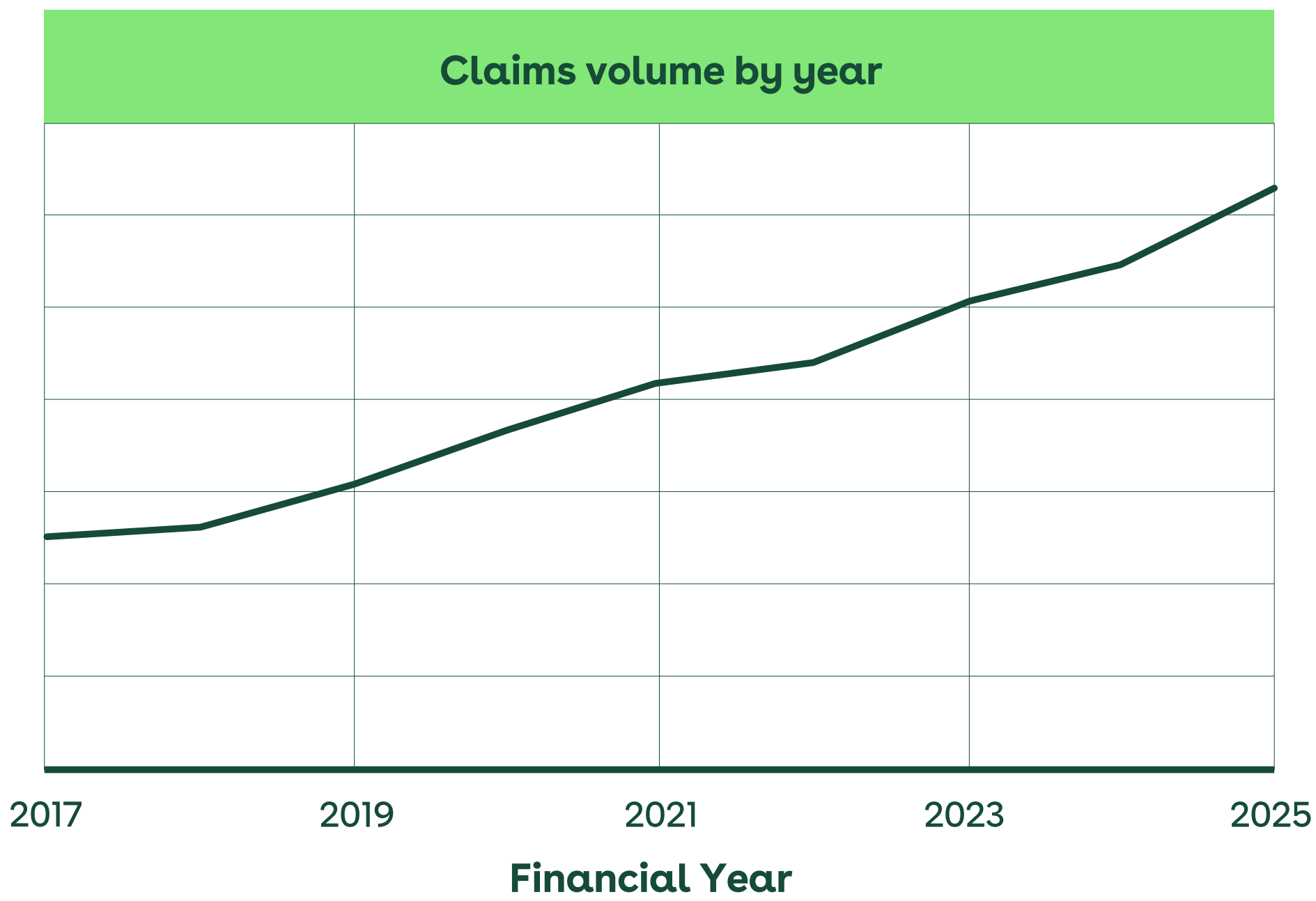
As a private health insurer, claims activity plays a large part in how nib’s business operates. There are a number of factors that inform our decision making including the number of claims we receive, the volume being serviced per policy, and the rising costs of doing so.

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



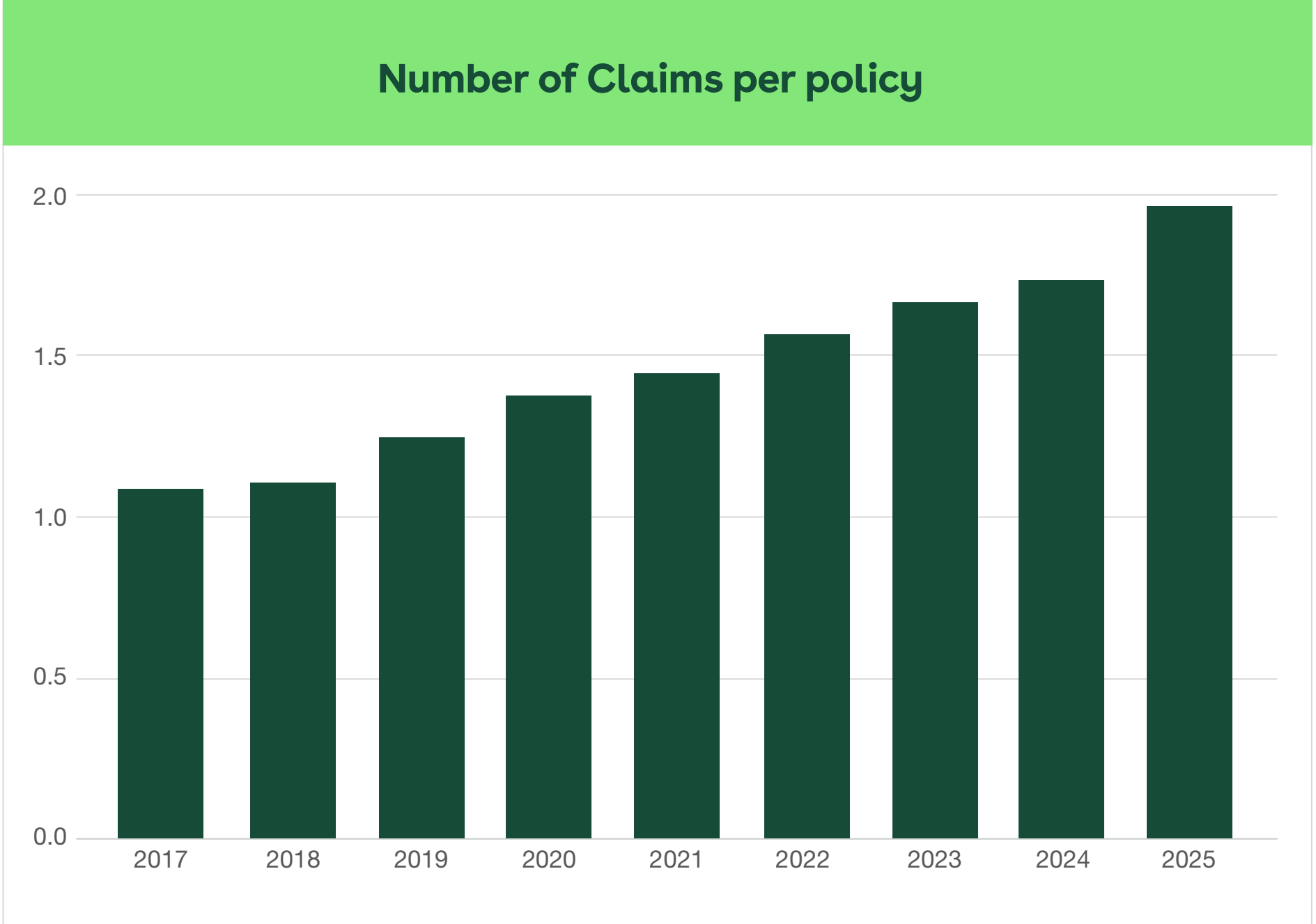
Claims volumes

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 2017, as shown in the graph below. Our data reveals the volume of claims processed has increased substantially to Q3 of the current financial year (1 July 2024 to 31 March 2025), and by 89% over the last five years.



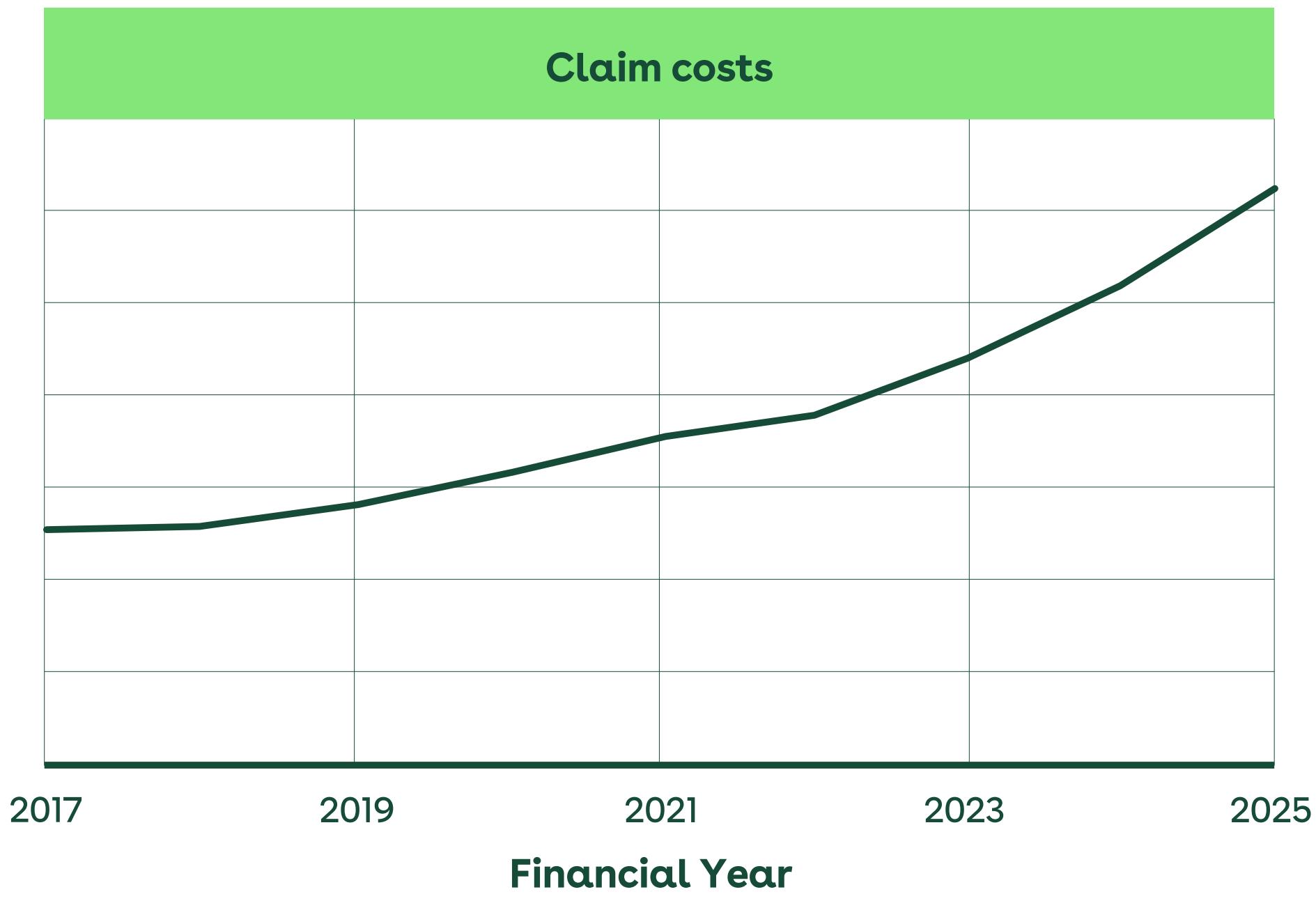
Claims utilisation

In addition to claims volumes increasing, we’re also seeing an increase in the number of claims being made per policy. Comparing the first three quarters of the current financial year (1 July 2024 to 31 March 2025) to the same period the year prior, utilisation increased close to 18%, up 43% in the last five years. While this points to some members getting greater value from their policy, it does drive up the cost of servicing claims.



Cost of claims

With the increase in both claims volume and utilisation, the dollar value of claims processed has also been rising. In the first three quarters of the current financial year (1 July 2024 to 31 March 2025), nib saw an increase of 26% and the cost of claims is up a significant 92% 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.



What this means for your clients

As our data and the rising costs of providing healthcare show, this does mean the costs of delivering much needed healthcare via private health insurance are increasing. For your clients, this results in premium increases to make sure we can continue to provide the cover they expect and need.

We know premium increases 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 manage these premium increases to ensure they continue to have the peace of mind that private health insurance provides.

