

Keeping up with claims



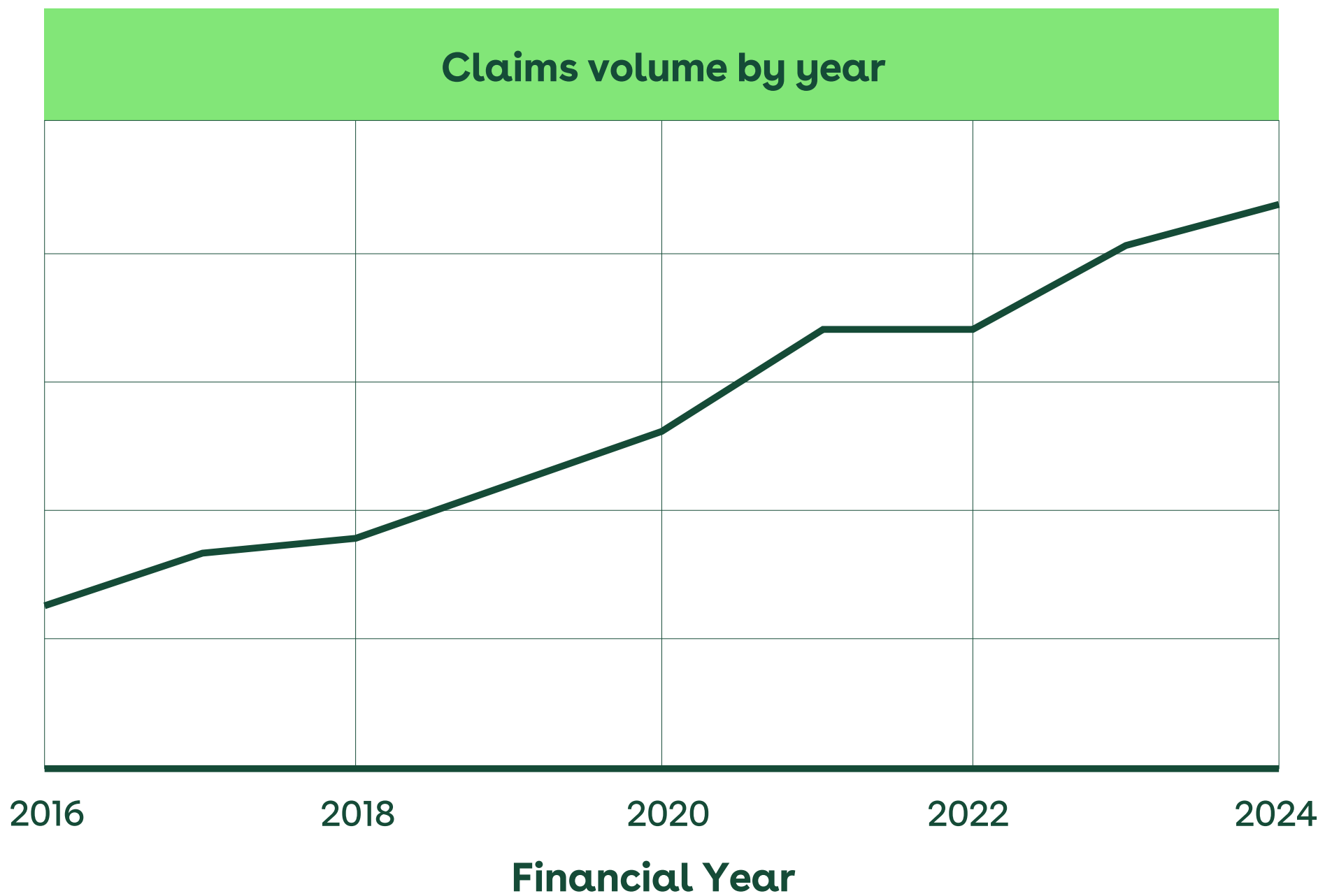
As a private health insurer, paying claims is central to our core purpose of your better health and wellbeing. There are a number of factors that inform our decision making when setting the premiums to apply, including the number of claims we receive, the number of claims per policy, and the rising cost of claims.

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



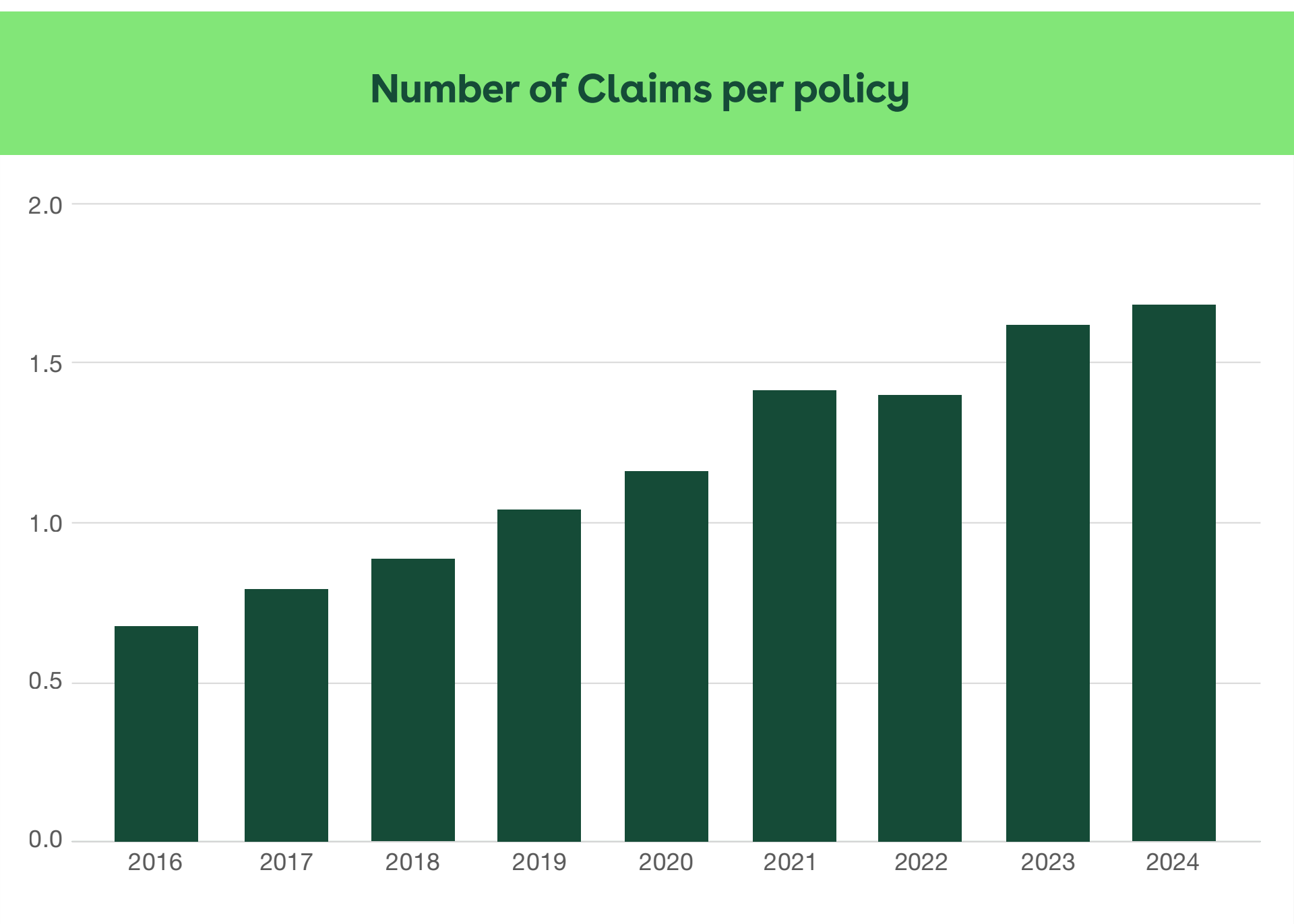
Claims volumes

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 2016, as shown in the graph below. Further, our data reveals the volume of claims processed increased substantially over the financial year to 30 June 2024, and by 67% over the last five years.



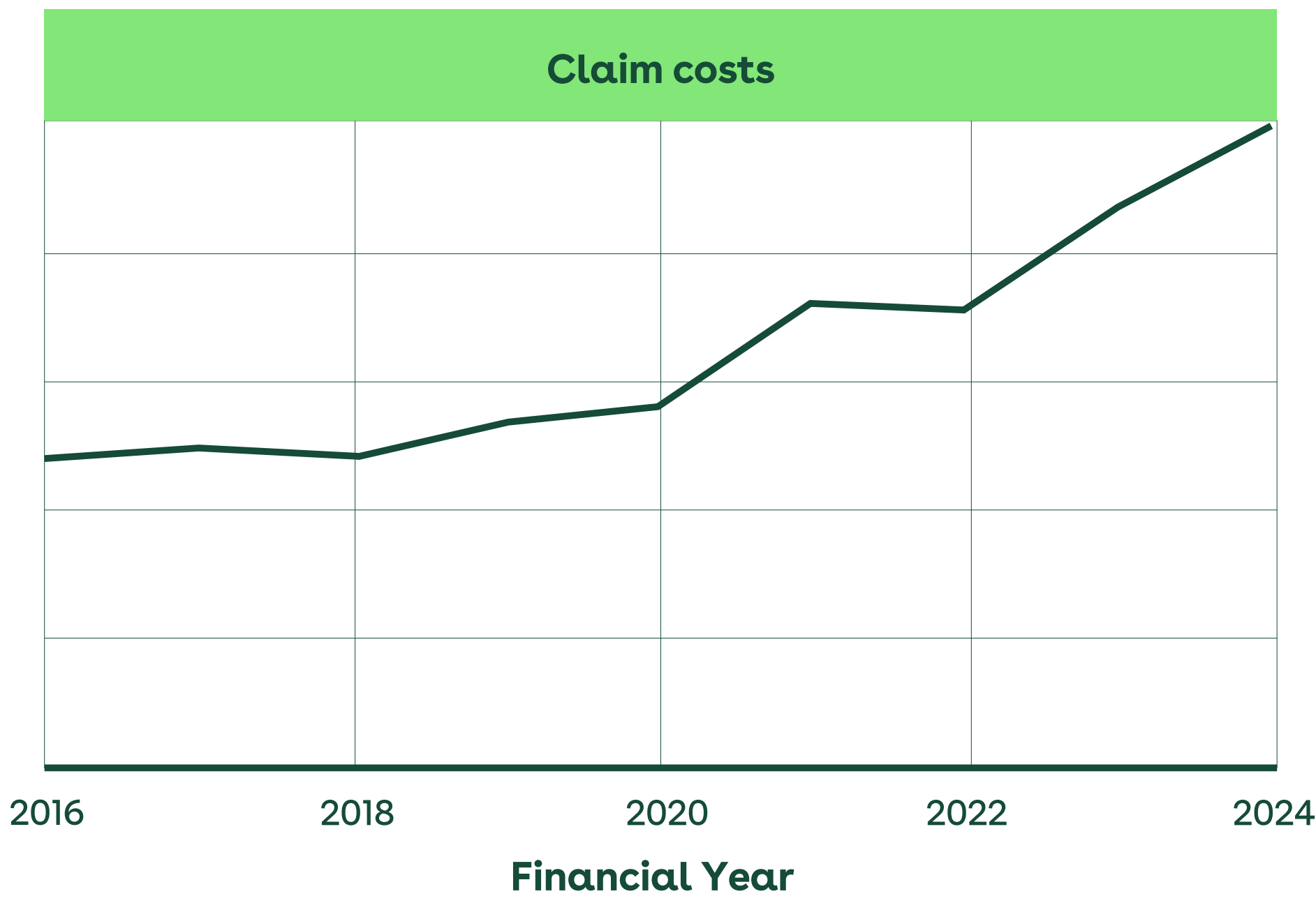
Claims utilisation

In addition to claims volumes increasing, we’re also seeing an increase in the number of claims being made per policy. In the 2024 financial year (ending 30 June 2024), utilisation increased close to 4%, up 45% in the last five years. While this points to 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 financial year ending 30 June 2024, nib saw an increase of 15% in the dollar value of claims processing and the cost of claims is up a significant 76% 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](#)

These resources are available as links in the Quarterly Rate Review email.

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 provide your clients with support to help them understand these premium increases and the peace of mind that private health insurance provides.

