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23 December 2021

Company Announcements Office
ASX Limited
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SYDNEY NSW 2000

RE: Approval received for 2022 premium changes

Private health funds across Australia have received approval from the Federal Minister for Health for changes to private health insurance premiums.

nib has received approval from the Minister to increase insurance cover premiums for nib health funds by an average of 2.66% across all products.

Please see the attached media release for further information about the premium changes.

Yours sincerely,

Roslyn Toms
Company Secretary

This announcement has been authorised for release by Roslyn Toms, nib Company Secretary.

For further information, please contact:

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Media release

23 December 2021

nib announces lowest premium changes in 20 years

nib health funds (nib) has received approval from the Federal Minister for Health to increase health insurance premiums by an average of 2.66%, its lowest premium change in two decades.

nib Managing Director, Mark Fitzgibbon, said while premiums have been approved to change from 1 April next year, the health insurer is considering deferring premium increases in recognition of the ongoing impact of COVID-19 on its members.

“It’s possible the increase could be deferred for likely three months depending upon developments, especially in relation to our claims experience and risk equalisation commitment. We’ll provide details on what this looks like for our members in the new year,” Mr Fitzgibbon said.

Mr Fitzgibbon added that while premium changes are never welcomed, they are necessary to keep pace with the rising cost of healthcare treatment.

“We’ve worked hard to keep our price changes to a record low while still allowing us to fund medical treatment for our members when and where they need it,” Mr Fitzgibbon said.

“We’re also investing more in our members’ future health by leveraging data science and technology to deliver more personalised healthcare through unique products, digital health services and health management programs,” he added.

Mr Fitzgibbon highlighted that nib’s health covers remain affordable compared to the industry average premium base. Following the 2022 premium increase, nib’s annual average premium per single equivalent unit is estimated to be $2,484, compared to the industry’s $2,657.

From next year, nib will also be introducing various Government-led reforms to help improve access to and affordability of private health insurance for its members.

“We’re supportive of any changes that enhance the sustainability and value of health cover including increasing the maximum age of dependants to 31 and removing the age limit for dependants with a disability,” Mr Fitzgibbon said.

“We’re also passing on anticipated savings from Prostheses List reforms through lower than otherwise premium increases this year,” he said.

nib also announced the extension of elements of its COVID-19 support package which totals more than $60 million, until 31 December 2022.

“While ever the pandemic persists, we’ll provide additional support to help our members manage their health and wellbeing,” Mr Fitzgibbon said.

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