

Date Thursday, 6 March 2008

Subject nib premium and product change information

nib health funds limited (nib) today announced changes to its premiums and health cover products.

nib's average premium change across all products is 4.99%. The changes will be effective from 1 April 2008.

nib Chief Executive Officer, Mr Mark Fitzgibbon said nib is increasing its premiums in response to the increasing cost of claims expenses.

"In financial year 2007, nib paid more than \$571.1 million in policyholder benefits, or \$1.56 million per day. This represents a return to policyholders of 85.76 cents for every \$1 contributed," Mr Fitzgibbon said.

"This premium adjustment along with product improvements will allow the fund to maintain product affordability and price competitiveness across its entire product range," Mr Fitzgibbon added.

nib will also launch a new range of products and benefits on 1 April 2008. These include:

- *Just Extras* – a new product that provide ancillary benefits across an extensive range of services
- Single Parent Family rate on a range of packaged products
- Extending the range of services covered under the Healthier Lifestyle component

nib policyholders will be notified of changes to their premiums and products by mail over the next few weeks.

Mr Fitzgibbon said that despite the increase, nib remains one of Australia's most competitive funds.

"nib is one of the fastest growing health funds in Australia. This is reflected in our national policyholder growth rate of 12.1% in 2007 compared to an industry average of just 4.7%.

"nib has positioned itself in the marketplace as a provider of affordable health cover that is easy to understand and value for money."

nib Product Price Comparison Table

1 April 2007 versus 1 April 2008

Product	1 April 2007	1 April 2008	Difference per Week
Single			
Basic Saver \$500 excess	\$9.95	\$9.95	\$0
Couple			
Basic Plus \$500 excess	\$27.26	\$28.11	\$0.85
Family			
Top Cover Nil Excess	\$63.42	\$69.74	\$6.32

Figures used in the above table are weekly premiums for NSW and include 4% discount for direct debit from a cheque or savings account and the 30% rebate.

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