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Private Health Insurance Intermediaries Association Inc

Comparison Sites Health Insurance Sales Weather COVID

In the last financial year, comparison services made up 25% of total market sales and handled over two million requests for health insurance advice, according to the latest annual PHIIA survey

It found Private Health Insurance Intermediaries Association members completed nearly 200,000 policy sales, and of these, over 60,000 were for new customers to the sector.

In its 4th year, the *State of the Sector* report has now collected relevant data by hospital tier, customer type and age. It tracks metrics from PHIIA members, including iSelect, Compare the Market, Health Insurance Comparison and The ItsMy Group.

“At a time of such pressure and focus on health issues, it’s heartening to see so many consumers using and trusting PHIIA members to receive their advice,” said CEO Christopher Zinn.

While each of the basic, bronze and silver tiers increased as a proportion of sales, gold policies declined 34.5% to account for only 7.8% of sales in 2020-21.

Sales to customers aged under 40 continue to account for over a third (37.9%) of all policies purchased via PHIIA members. Sales to those aged 65+ were one in five policies.

PHIIA chair Gerald Brown said, “We also found that the proportion of sales of gold policies were consistently higher in younger age categories (19% in the 15-19, 13% 20-24 and 14% in the 25-29 age cohort).

“We believe this reflects the strong demand for psychiatric hospital services that are only available at the gold and silver + tier level.”

Other findings include:

COVID-19 has been a roller coaster. Leads and sales continued to decline in the first quarter of 2020-21 but surged in September 2020 ahead of deferred price rises.

Most new to market customers purchased bronze (44.4%) or silver (21.7%) policies.

The value of average Gross Annual Premium (GAP) sales increased across each cover type in 2020- 21. For combined hospitals and extras cover, it was \$3,904, up 0.7% on 2019-2020.

The complete survey can be accessed here:

<https://phiiia.com.au/wp-content/uploads/2021/09/PHIIA-2021-State-of-the-Sector-Survey-Report-FINAL.pdf>

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