



Private Health Insurance Intermediaries Association Inc



2023

# PHIIA 2023 State of the Sector Survey

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Prepared by Survey Matters  
October 2023

## About

This report has been prepared on behalf of the Private Health Insurance Intermediaries Association (PHIA) by Survey Matters.

Survey Matters specialise in providing research services to associations and not-for-profit organisations, their customers, and members. Survey Matters have helped a wide range of associations understand their value proposition - what is important to members, how the association can help them and how satisfied they are with their associations' performance. We also work with associations to generate and build industry data and knowledge to support advocacy, promotion, industry development and marketing activities.

As authors of the Associations Matter Research Series, Survey Matters have a significant knowledge base of the Australasian association sector.

Survey Matters is a member of the Australian Market and Social Research Society.

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## Disclaimer

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# Introduction

Welcome to this year's State of Sector report, in which the people who help many consumers find better private health insurance offers pool their data to give a bird's eye view of trends and insights.

The figures relate to the mass market our members service, the consumer segments they serve, the policies they advise about, and other market data. This summary articulates the significant role of intermediaries in the health insurance sector.

The **Private Health Insurance Intermediaries Association (PHIA)** is the peak body representing and monitoring standards for comparison services, independent intermediaries, agents and brokers selling private health insurance in Australia.

Intermediaries help Australians better understand their needs in a complex and sometimes misunderstood market, which may be difficult and daunting to navigate solo.

The 2022-23 State of the Sector Survey highlights several significant trends and characteristics. Feedback from funds and other interested parties is that they appreciate the perspectives gained from analysing our shared data.

Our sincere thanks go to all those members who generously contributed to this study.

**Christopher Zinn**  
CEO

## Highlights

The 2022-23 PHIA State of the Sector Survey indicates cost of living pressures are having an impact on sales of private health insurance, with consumers significantly more likely to make enquiries but less likely to purchase policies than in 2021-22.

The Australian Prudential Regulation Authority (APRA) recorded a total of 809,354 new private health insurance policy sales in 2022-23. The Private Health Insurance Intermediaries Association (PHIA) members' contribution to these sales was 23%, up from 22.6% in the prior year. This underscores the vital role intermediaries continue to play in the private health insurance market.

The number of leads to PHIA members climbed by 21.1% to approximately 2.02 million in 2022-23. This uptick in interest did not translate proportionately into sales, reflecting the economic pinch. Despite the rising leads, actual sales by PHIA members fell by 1.0%. While a greater proportion of consumers were exploring alternatives to their current policies, many were unable to find one that suited their needs.

The current economic climate has also triggered shifts in consumer preferences towards more affordable coverage options. With consumers becoming more cost conscious, sales of base level health insurance products increased within each tier, while sales of premium level cover fell. Notably, while silver policies remain popular a higher proportion of switchers moved to base level silver policies (17.9%, up from 14.7%) rather than silver plus products.

Reflecting APRA data, sales by PHIA members also reported a shift in the proportion of sales to different customer types. New entrants, who have not previously held health insurance, accounted for a higher proportion of sales in 2022-23 compared to the previous year. Over 55,000 new consumers were introduced to the market by PHIA members in 2022-23, marking an uptick in sales to new entrants from 28.8% to 31.0%. Meanwhile, sales to those switching insurers saw a minor decline.

There has also been a fall in sales to younger consumers in 2022-23. The proportion of sales to customers aged under 55 decreased, while sales to older age groups increased. The fall was most evident among those aged 25 to 29, with an 11.8% fall in sales of private health insurance to this demographic. Notably, sales to those aged over 75 years were up 6.8% from last year. These patterns hint at the potential resilience of the older demographic, who may be insulated better from the prevailing economic conditions.

As a result, at 29.9%, a higher proportion of overall sales in 2022-23 included a lifetime health cover (LHC) loading than in 2021-22. While the overall trend shows that sales with LHC loading were generally more likely to be sold to younger customers, the proportion of sales with an LHC loading made to consumers aged under 50 years decreased from 2021-22, with those made to consumers aged 50 years or more increasing across the same time period.

The survey also highlights the importance of intermediaries in assisting consumers in finding the best cover they can afford within their chosen tier. The average gross annual premiums (GAP) for combined policies sold by PHIA members increased by 4.1% in 2022-23, higher than the private health fund average rise of 2.9%.

The PHIA 2023 State of the Sector Survey highlights the impact of higher inflation and rising cost of living on consumers' decisions about purchasing private health insurance. The data shows a shift in consumer preferences towards more affordable coverage options and a decline in sales to younger customers.

These findings provide valuable insights for private health insurance providers and intermediaries to better understand consumer behaviour when purchasing private health insurance.

# Key Findings

## Key Findings

In 2022-23, APRA reported a total of 809,354 new private health insurance policy sales. Sales by PHIA members accounted for 23% of these sales.

This figure is up from 22.6% in 2021-22 and shows that private health insurance intermediaries continue to play an important role in facilitating the sale of private health insurance to consumers.

**The number of leads to PHIA members increased significantly in 2022-23 with more consumers investigating their private health insurance options to ease cost of living pressures.**

- The number of leads received by private health insurance intermediaries increased by 21.1% to around 2.02 million leads in 2022-23, below the peak of 2.2 million leads in 2018-19. It's likely a reflection of increasing cost of living of living pressures leading more consumers to assess a range of PHI alternatives.

**PHIA members introduced over 55,000 new consumers to the private health insurance market in 2023, with a higher proportion of sales made to new entrants than last financial year.**

- Sales by PHIA members fell 1.0% in 2022-23 to 186,260, giving a conversion ratio of 9.2%. While this is down from a high of 11.2% in 2021-22, it is relatively consistent with 9.4% in 2021-22. The figures suggest that consumers that are unable to find a better deal are either choosing to remain with their current arrangement or forgo PHI altogether.
- Switchers comprised a lower proportion of total sales than in 2021-22. Sales to switchers fell from 71.2% of sales in 2022-23, to 69.0% in 2022-23. Conversely, the proportion of sales made to new entrants to the health insurance market increased from 28.8% to 31.0%.

**The average gross annual premiums (GAP) for combined and hospital only policies both increased by more than 4% in 2022-23.**

- The average gross annual premium (GAP) for combined policies sold by PHIA members increased by 4.1% in 2022-23. The GAP for hospital only policies sold increased by 5.6%. These increases are higher than the private health fund average of 2.9%, suggesting that PHIA members sell more premium cover policies to consumers than the broader market.



**Amidst rising prices and inflation, consumers favour lower tier private health insurance products over premium level cover.**

- Overall, all base level products accounted for a higher proportion of sales in 2022-23 while the proportion of plus tiered products all fell, indicating increased cost-consciousness among consumers.
- Bronze plus policies remained the top choice, though their sales decreased, and more consumers opted for base level bronze packages than last year (8.4%, up from 7.8%). Similarly, while silver policies remain popular among switchers, 2022-23 saw a shift in preferences with a higher proportion of switchers moving to base level silver policies (17.9%, up from 14.7%) instead of silver plus products.

**With cost-of-living pressures impacting young consumers the most, sales to consumers aged under 55 years fell, while sales to those aged over 55 increased.**

- There was a decline in the purchase of PHI among consumers under 55 years of age. The most notable fall was among those aged 25 to 29, with the number of private health insurance policies sold to this group down 11.8% to 17,159 in 2022-23. Overall, sales to those aged below 35 were down 7.2%.
- Conversely, consumers aged over 50 took out private health insurance policies in higher numbers in 2023-23, suggesting older cohorts might be less affected by economic pressures than the younger population. As a result, sales to those aged 55 or more years accounted for 37.0% of all sales in 2022-23, up from 34.9% the previous year. Notably, sales to those aged over 75 years were up 6.8% from last year.

**Sales to singles continue to account for the bulk of sales, despite a drop in the number and proportion of sales made to these consumers.**

- Sales to singles accounted for nearly half of all sales (48.5%) in 2022-23, down from 50.3% in 2020-21. The number of sales made to singles has fallen to under 87,000 for the first time since the survey began.

**Sales with lifetime health cover (LHC) loading increased to 29.9% in 2022-23, reflecting the higher proportion of sales to consumers aged 55 years or more.**

- The increase in sales to new entrants among consumers aged 55 years or older has led to a rise in the proportion of sales with an LHC loading.
- At 29.9%, a higher proportion of overall sales in 2022-23 included a lifetime health cover (LHC) loading than in 2021-22. The ratio of sales with an LHC loading made to consumers aged under 50 years decreased from 2021-22, with those made to consumers aged 50 years or more increasing.

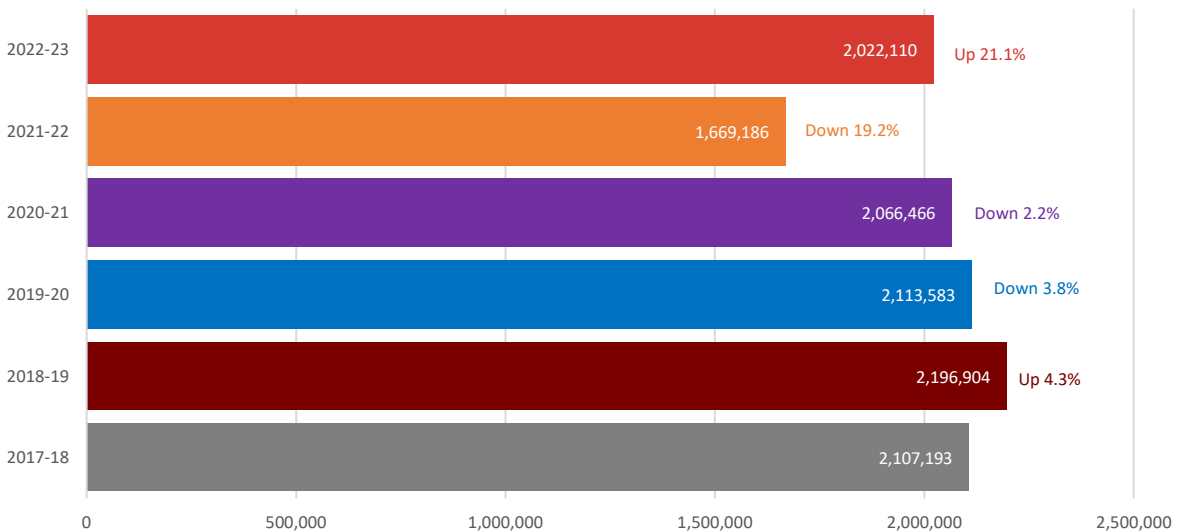
# Detailed Results

# Leads

Leads were up 21.1% in 2022-203 with PHIA members reporting approximately 2.02 million leads, up from 1.67 million in 2021-22.

While they are yet to recover to pre-pandemic highs, the number of leads received by PHIA members increased significantly over the last 12 months. Up 21.1% on the prior year, most likely driven by consumers looking for a better deal to ease cost of living pressures, leads are now only 2.1% lower than the 2.07 million reported in 2022-21.

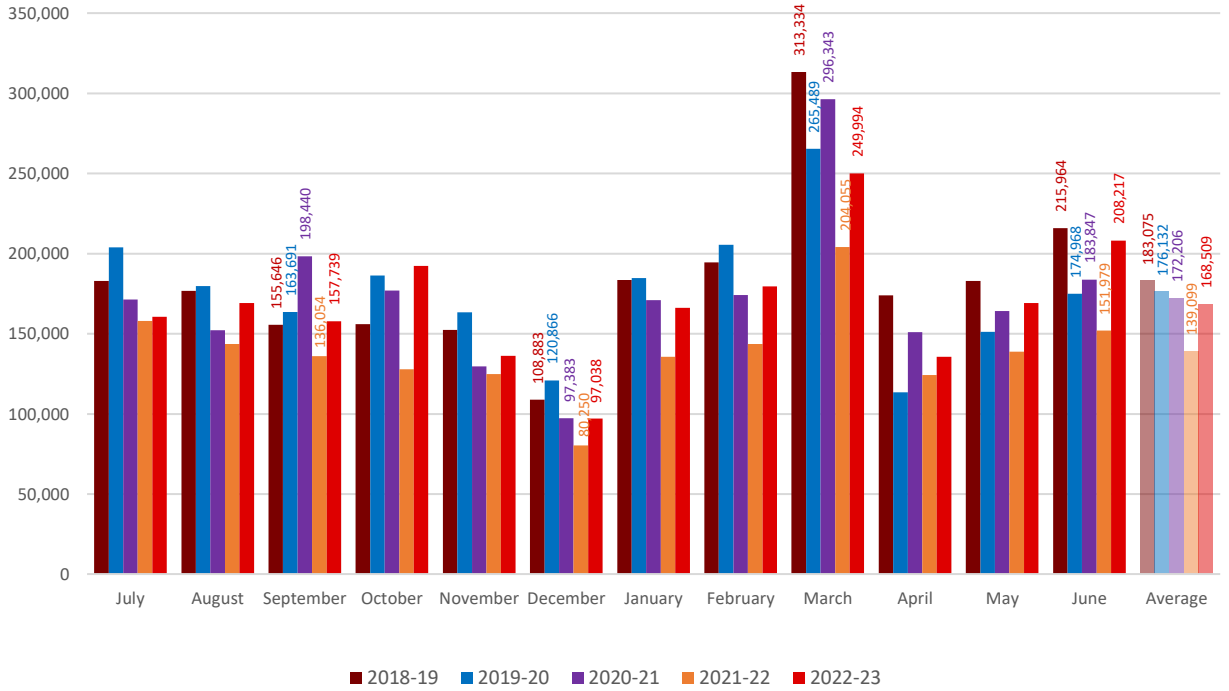
Figure 1: Total Number of Leads per Year, 2017-18 to 2022-23



## Key findings leads per month:

- An average of 165,509 leads were received each month in 2022-23. This is up 21.1% from 139,033 in 2021-22, although it remains below the average of 172,206 in 2020-21. Leads were up in all months throughout the year, when compared to 2021-22.
- The increase in leads was first evident in August and September 2022, up 17.8% and 15.9% respectively from the same time in 2021, before jumping 50.3% in October 2022 compared with the same time in 2021.
- Leads from December 2022 through to March 2023 were up an average of 23% from the same months the previous year. The number of monthly leads again peaked in March in 2023, despite many private health insurers again delaying premium increases until October 2023, with 249,994 leads coming through. This was up 25.1% from 204,055 leads in March 2022.
- While leads only increased by 9.2% in April 2023, the number of leads in May and June 2023 were up 21.9% and 37.0% from the same months in 2022, possibly driven by announcements to changes to the Medicare Benefits scheme due to come into effect from 1 July 2023.

Figure 2: Number of Leads by Month, 2018-19 to 2022-23



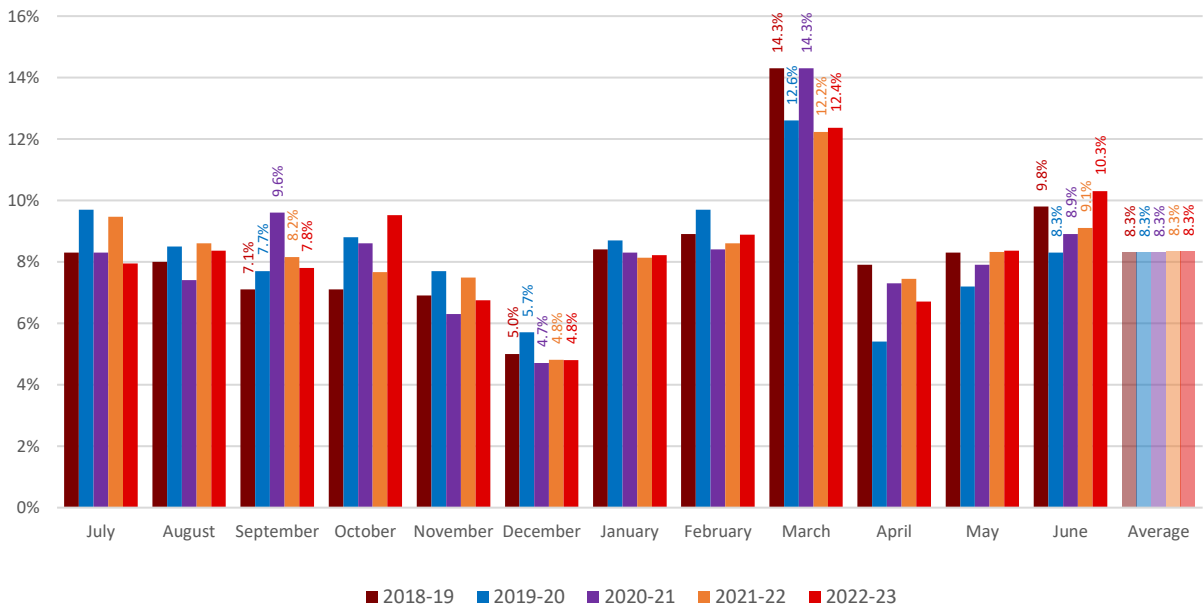
**21%**  
increase in leads  
between 2021-22  
and 2022-23



### Key findings proportion of leads per month:

- As shown in Figure 3, the proportion of annual leads in March 2023 remained lower than previous years due to many private health insurers deferring the annual premium increases that usually occur on 1 April for the second year in a row. In 2022-23, leads in March represented 12.4% of total annual leads for the year.
- The deferral of premium increases to October saw leads in October 2022-23 accounting for 9.5% of total leads, up from only 7.7% in 2021-22.
- At 10.3%, the proportion of 2022-23 annual leads was also considerably higher in June 2023, with the last month of the financial year continuing to account for higher proportions of leads each year since 2019-20. By contrast, leads in July 2022 account for 7.9% of all leads in 2022-23, down from 9.5% in 2021-22.
- Consistent with previous years, December remained the lowest month for enquiries, accounting for 4.8% of total annual leads in 2022-23, when the percentage of leads fell.
- Except for November 2022 and April 2023, the proportion of leads obtained in other months remained relatively consistent with 2021-22.

Figure 3: Proportion of Leads by Month, 2018-19 to 2021-23

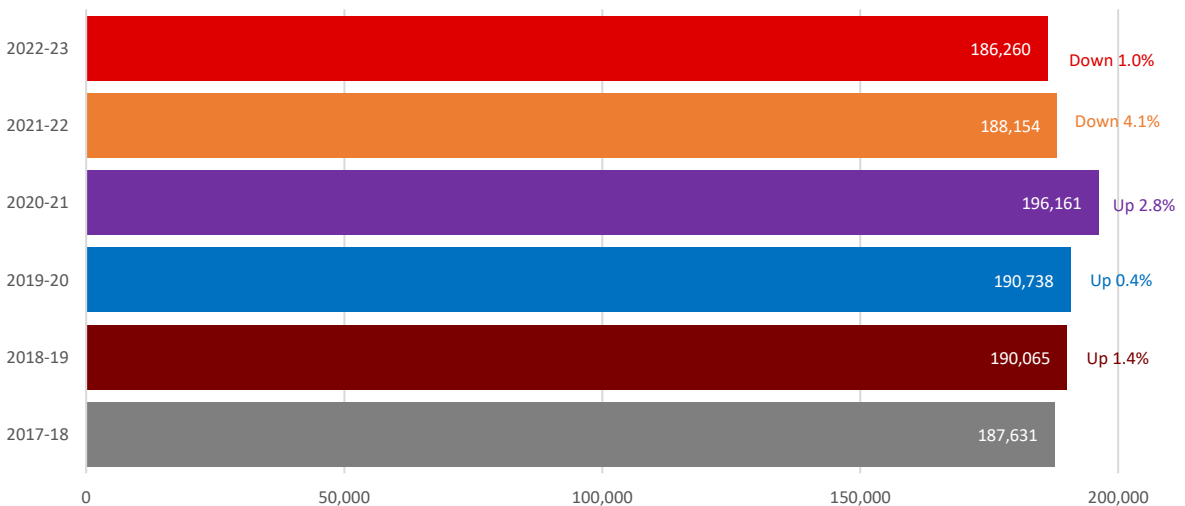


# Sales

Despite the higher number of enquiries, the number of sales by PHIA members fell by 1.0% for the year, to 186,260 sales.

In an economic environment characterised by high inflation and growing cost of living pressures, the small decline in sales in 2022-23, despite the increase in leads, suggests that a greater proportion of people were price checking or looking for alternatives but were not necessarily ready to take up or change private health insurance companies when contacting intermediaries.

Figure 4: Total Number of Sales per Year, 2017-18 to 2022-23



## Key findings sales by month:

- In 2022-23, the average number of sales per month declined from 15,680 in 2021-22 to 15,522. This is also below the previous low of 187,631 recorded in 2017-18.
- Sales peaked in March 2023 at 22,702, although this is down 10.3% from 25,319 sales in March 2022. Sales were also 10.4% lower in July 2022 than in July 2021.
- Sales were down slightly in August and September 2022, before increasing to 17,847 in October 2022, up 12.1% from October 2021.
- With a higher number of in leads, sales increased significantly in May and June of 2023, up 15.4% and 13.3% respectively from the previous year to be well above average. At 20,935, sales in June 2023 were the highest for the last month of the financial year since the survey began.
- At 8,655, sales continued to be lowest in December, with 2022-23 sales down 3.8% from December 2021.

Figure 5: Number of Sales per Month, 2018-19 to 2022-23

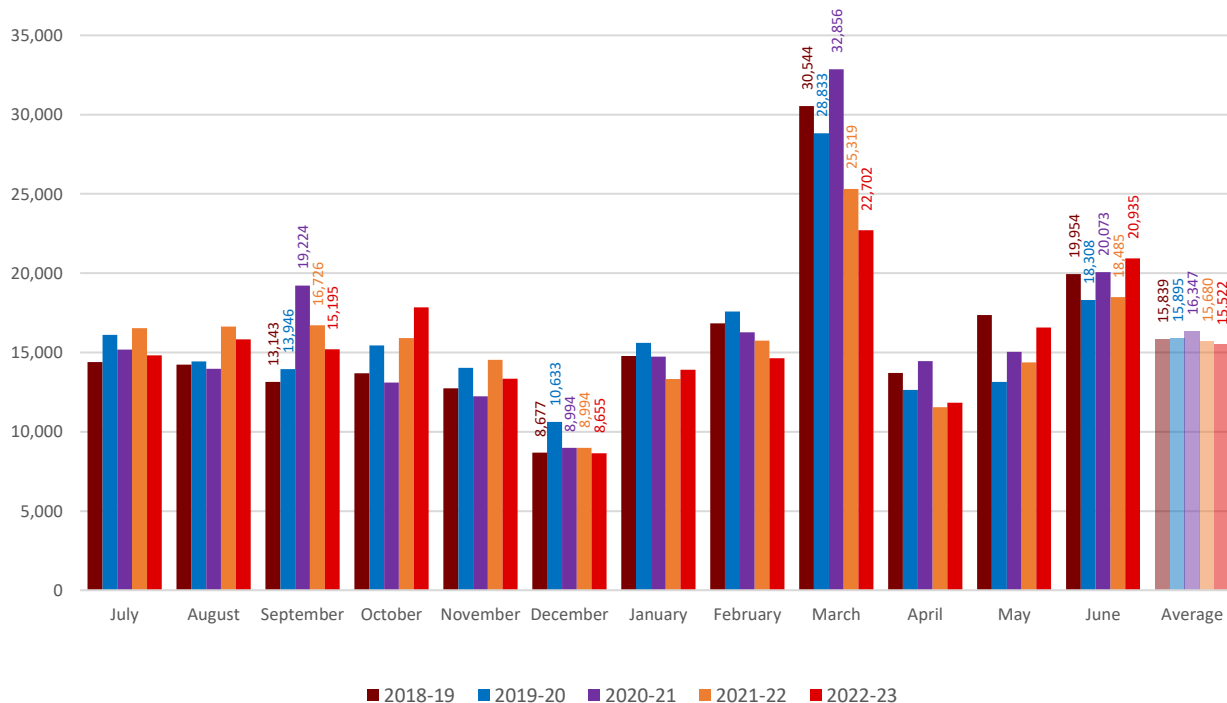


Table 1. Number of Sales per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average	Total *
2017-18	13,508	13,771	14,482	13,133	11,982	9,156	13,838	16,318	32,145	13,892	15,240	19,896	15,613	187,361
2018-19	14,398	14,241	13,143	13,680	12,741	8,677	14,771	16,828	30,544	13,717	17,371	19,954	15,839	190,065
2019-20	16,113	14,437	13,946	15,446	14,036	10,633	15,616	17,589	28,833	12,633	13,148	18,308	15,895	190,738
2020-21	15,177	13,968	19,224	13,107	12,240	8,994	14,746	16,282	32,856	14,457	15,037	20,073	16,347	196,161
2021-22	16,531	16,643	16,726	15,916	14,538	8,994	13,326	15,748	25,319	11,555	14,373	18,485	15,680	188,154
2022-23	14,810	15,824	15,195	17,847	13,345	8,655	13,904	14,632	22,702	11,829	16,582	20,935	15,522	186,260
Change 21-22 to 22-23	-10.4%	-4.9%	-9.2%	12.1%	-8.2%	-3.8%	4.3%	-7.1%	-10.3%	2.4%	15.4%	13.3%	-1.0%	-1.0%

Figure 5 & 6: Please provide the NUMBER of sales per month (2017-18 and 2018-19: n = 6, 2019-20, 2020-21 and 2021-22: n = 5, 2022-23: n = 4)

### Key findings proportion of sales per month

- Down slightly from 26.5% in 2021-22, sales made between July to September 2022 accounted for 24.6% of all sales in 2022-23. Conversely, higher than average sales in October 2022 saw this month alone account for 9.6% of sales in the financial year, up from 8.5% in October 2021 and a low of 6.7% in October 2020.
- While the highest number and proportion of sales made throughout the year continues to be in March, at 12.2% the proportion of sales in March 2023 is considerably lower than the same time in previous years.
- The proportion of sales made in June 2023 was 11.2%. This is higher than the average of 8.3% for the year, and above the previous high of 10.6% in June 2018.
- Consistent with previous years, sales in December 2022 accounted for only 4.6% of sales for 2022-23.

Figure 6: Proportion of Sales by Month, 2018-19 to 2022-23

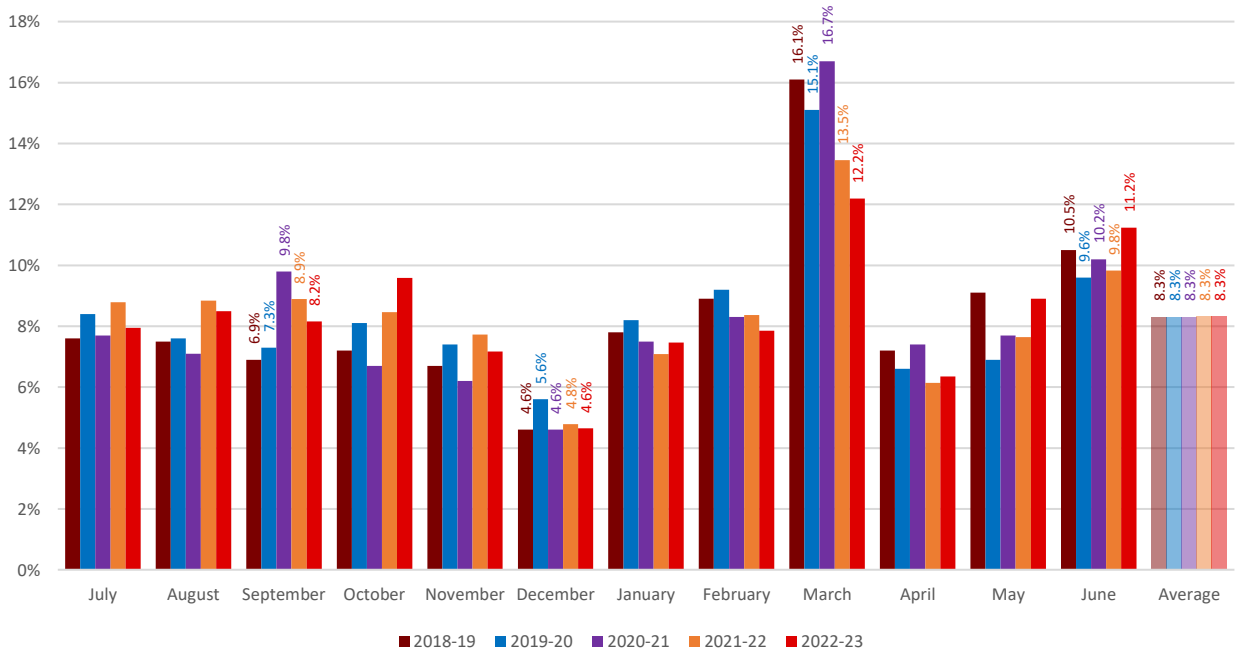


Figure 5 & 6: Please provide the NUMBER of sales per month (2017-18 and 2018-19: n = 6, 2019-20, 2020-21 and 2021-22: n = 5, 2022-23: n = 4)



# Sales Conversions

Sales conversion ratios were lower in 2022-23, as fewer enquiries resulted in sales amidst cost-of-living concerns.

The proportion of leads converted into sales provides insight into consumer purchase trends and behaviour and gives a measure of the performance of private health insurance intermediaries.

## Key findings sales conversion ratio:

- In 2022-23, 9.2% of leads were converted into sales. This represents a far lower conversion ratio than last year, potentially reflecting reticence from the public to purchase private health insurance amidst economic uncertainty and rising cost of living pressures.
- While the conversion ratio is down from the high of 11.2% in 2021-22, it is relatively consistent with 9.4% in 2020-21 and is higher than before the COVID-19 pandemic.
- The sales conversion ratio remained relatively stable across the year, ranging from a low of 8.1% in February 2023 to a high of 9.8% in November 2022. The exception to this is in June 2023, where 10.1% of leads were converted to sales.
- Of note, conversion ratios in February and March 2023 were the lowest obtained since the project began in 2017-18. In contrast, excluding the particularly high conversion ratios in 2021-22, conversions in July, August, October and November 2022, as well as May 2023, were the highest since 2017-18.

Figure 7: Ratio of Sales per Lead, 2018-19 to 2022-23

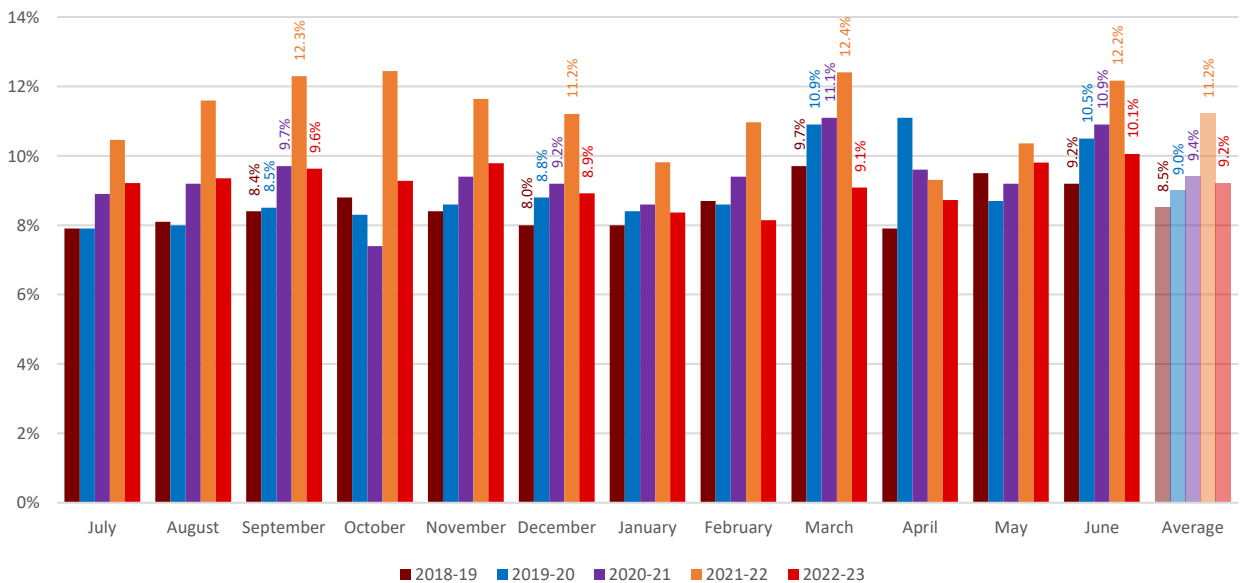


Figure 7: Please provide the NUMBER of leads per month (2017-18 and 2018-19: n = 6, 2019-20, 2020-21 and 2021-22: n = 5, 2022-23: n = 4)  
Please provide the NUMBER of sales per month (2017-18 and 2018-19: n = 6, 2019-20, 2020-21 and 2021-22: n = 5, 2022-23: n = 4)

## Sales by Customer Type

The number of singles policies sold by PHIA members dropped over the last financial year, with sales to other customer types relatively consistent.

PHIA members were asked to provide data showing the number of sales by customer type. The four types of customers are singles, couples, families and single parents.

### Key findings sales by customer type:

- Consistent with previous years, a little under half of sales (48.5%) by PHIA members in 2022-23 were to singles—accounting for a total of 86,786 sales. Despite this, the number of sales to singles continues to fall, down 4.5% from 90,859 in 2021-22. This is the lowest number of sales to this group since inception of the State of the Sector Survey.
- Sales to couples in 2022-23 remains at a low of 37,313 sales, and down 1.4% from the previous year. Consistent with 2021-22, sales to couples accounted for 20.8% of all sales.
- The number of sales to families increased slightly in 2022-23, up 2.1% from 2021-22. At 44,566, sales to families accounted for 24.9% of all sales
- Single parents remain the smallest customer category, accounting for a total of 5.8% of all sales made by PHIA members in 2022-23. Sales to this group increased 4.7% in 2022-23 to a total of 10,395 sales.

Figure 8: Number of Sales by Customer Type, 2017-18 to 2022-23

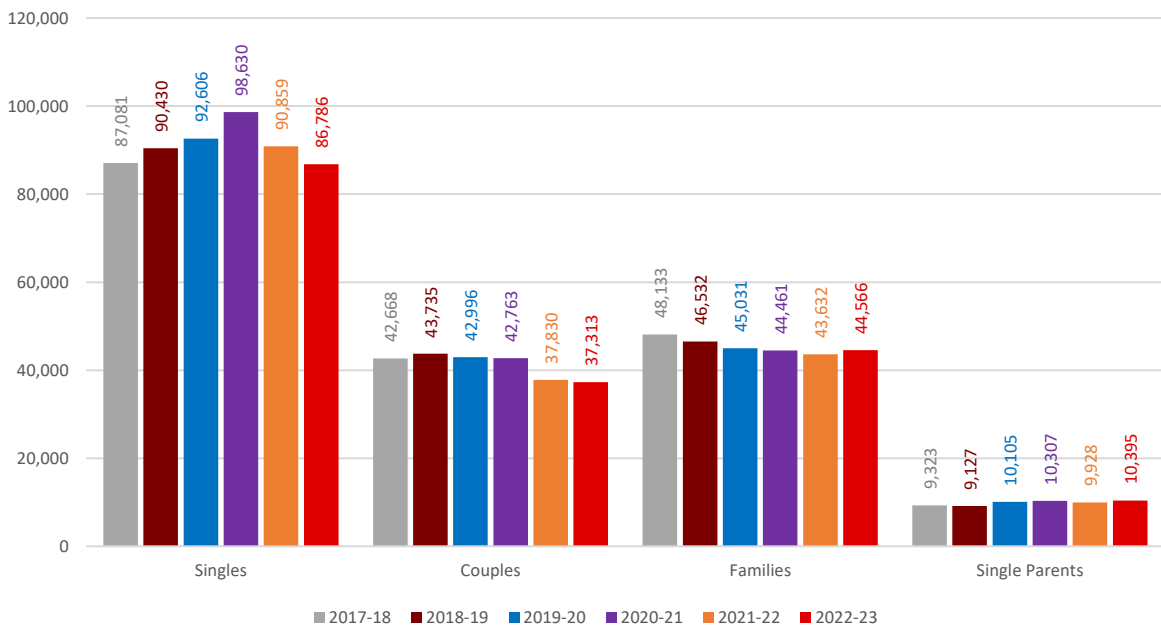
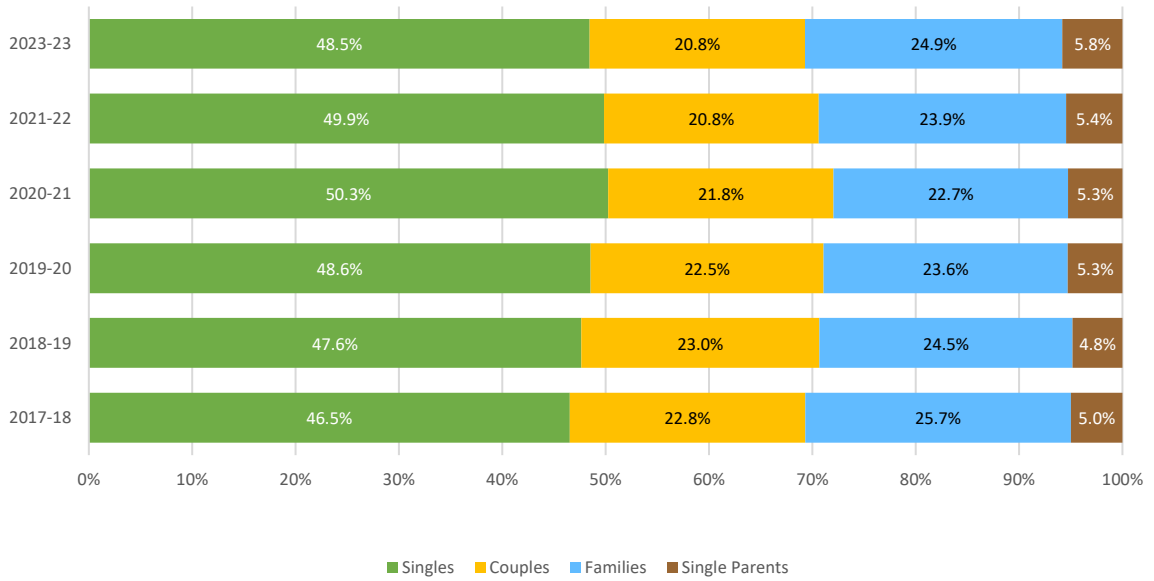


Figure 9: Proportion of Sales by Customer Type, 2017-18 to 2022-23

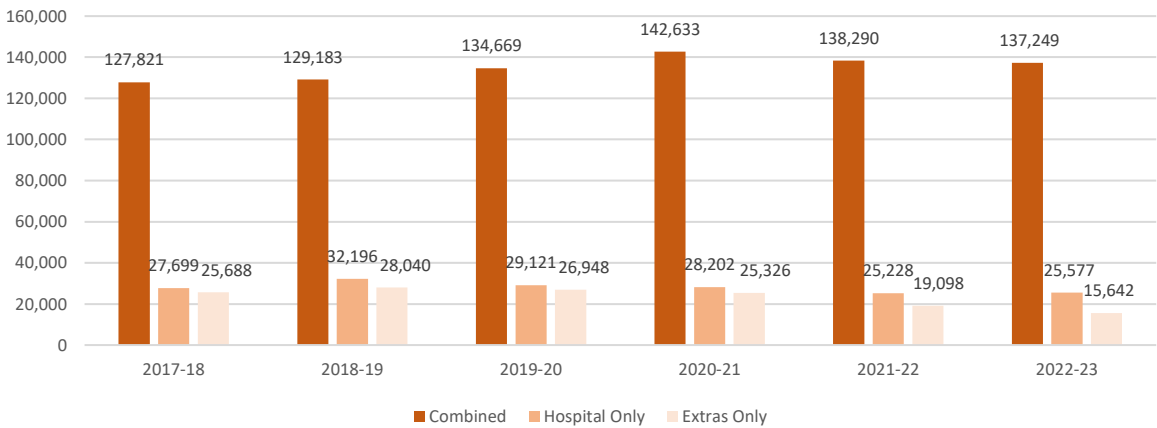


## Sales by Cover Type

Combined hospital and extras cover account for over three quarters of health insurance policies sold by PHIA members.

Private health insurance intermediaries sell various types of health cover to consumers on behalf of insurance firms. These cover types are combined hospital and extras insurance, hospital-only insurance, and extras-only insurance.

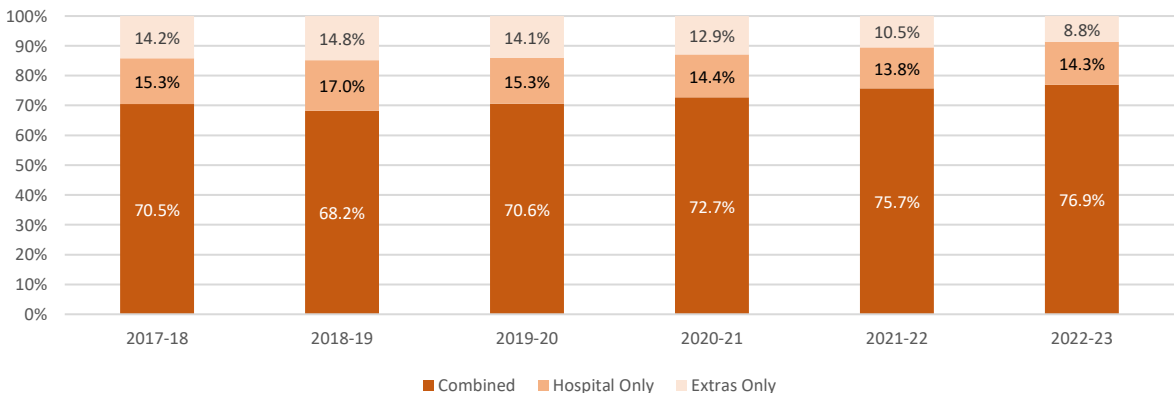
Figure 10: Number of Sales by Cover Type, 2017-18 to 2022-23



### Key findings sales by cover type:

- In 2022-23, a total of 137,249 combined policies were sold, down only 0.8% from 138,290 policies in 2021-22. Sales of combined policies continue to account for the largest proportion of all sales, increasingly steadily from 68.2% in 2018-19 to 76.9% in 2022-23.
- Up 1.4% from 2021-22, the number of hospital-only insurance policies sold in 2022-23 was 25,577. While the total number of sales is similar across both years in absolute terms these sales accounted for a higher proportion of total sales in 2022-23 (14.3%) than they did in 2021-22 (13.8%).
- Continuing the downward trend over the last four years, sales of extras only policies accounted for only 8.8% of all sales in 2022-23. In absolute numbers, this was 15,642 sales, down 18.1% from 19,098 sales in 2021-22.

Figure 11: Proportion of Sales by Cover Type, 2017-18 to 2022-23



## Sales by Customer Status

A growing proportion of sales by PHIA members in 2022-23 were to people new to private health insurance.

Customer status refers to whether customers are new entrants or switchers. New entrants include customers that have not previously held health insurance and are being guided by a PHIA member. Switchers are existing policy holders that are switching policies within the same fund or switching from a different insurance provider.

### Key findings sales by customer status:

- In 2022-23 there was a 5.8% increase in the number of sales to new entrants, to 55,277, although the number of sales to switchers fell 4.8%, to 122,853. This is a positive result for PHIA members as it highlights the important role intermediaries play in bringing new consumers into the private health insurance market.
- In addition to an increase in overall sale numbers, new entrants also accounted for a higher proportion of total sales in 2022-23 (31.0%) than they did in 2021-22. This is close the previous high in 2020-21, when new entrants made up 31.2% of sales, and is higher than the long-term average.
- Conversely, the proportion of switchers decreased to 69.0% in 2022-23, down from 71.2% in 2021-22. This indicates that PHIA members remain effective in reaching and providing services to a sizable number of new customers, as well as continuing to provide valuable services to existing members of private health insurance firms.

Figure 12: Proportion of Sales by Customer Status, 2017-18 to 2022-23

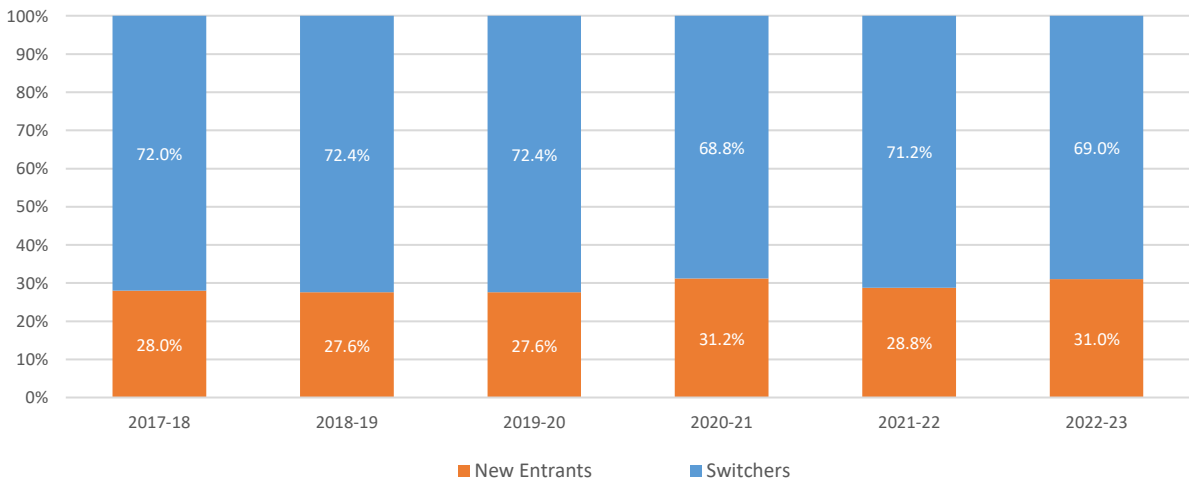


Table 2: Number of Sales by Customer Status, 2017-18 to 2022-23

	2107-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-23
New Entrant	52,456	52,337	52,552	61,078	52,240	55,277
Switcher	134,623	137,549	137,915	134,765	129,093	122,853

Figure 12 & Table 1: Please provide the TOTAL NUMBER of sales by New Entrant or Switcher (2017-18, 2018-19: n = 5, 2019-20: n = 4 / Please provide the TOTAL NUMBER of sales by Age Cohort by Type (2020-21, 2021-22 and 2022-23: n = 4)

## Sales by Age Cohort

Purchase behaviour suggests cost of living pressures are affecting young consumers the most, with sales of private health insurance falling among all cohorts aged under 55 years of age.

To provide insight into differences in private health insurance needs and purchase behaviour of young and old consumers, PHIA members provide sales data by 5-year age cohorts.

### Key findings sales by age cohort:

- The number of sales to customers in all age groups under 50 was down in 2022-23, with sales to those aged under 35 falling by 7.2%. The number of policies sold by PHIA members to consumers aged between 35 and 54 fell by 3.4%.
- The most notable fall was among those aged 25 to 29, with the number of private health insurance policies sold to this group down 11.8% to 17,159 in 2022-23, possibly reflecting a preference among this group to delay purchasing health insurance until they turn 30.
- Despite being the largest cohort due to the 2% loading applied to people that do not take out private health insurance prior to their 31<sup>st</sup> birthday, the proportion of sales to consumers aged between 30 and 34 also continued to trend downward, falling to 11.3% in 2022-23.
- At 16,161 total sales, the proportion of sales made to those aged 50 to 54 remained consistent at 9.1% in 2022-23 when compared with 2021-22.
- In contrast, consumers aged over 50 took out private health insurance policies in higher numbers in 2023-23. As a result, sales to those aged 55 or more years accounted for 37.0% of all sales in 2022-23, up from 34.9% the previous year. In absolute numbers, sales to those aged 55-74 increased by 3.8%, with sales to those aged over 75 years increasing by 6.8% from 2021-22. This suggests that older cohorts may be less likely to have been impacted by cost-of-living pressures in 2022-23 than their younger counterparts.

Table 3: Number of Sales by Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
2021-22	687	8,741	19,455	21,088	18,918	17,009	15,804	16,426	13,893	15,556	13,210	9,856	6,492	2,938	985	181,333
2022-23	861	8,178	17,159	20,151	18,017	16,593	15,061	16,161	14,653	15,559	13,986	10,334	6,972	3,114	1,331	178,130
Change	25.3%	-6.4%	-11.8%	-4.4%	-4.8%	-2.4%	-4.7%	-1.6%	5.5%	0.0%	5.9%	4.8%	7.4%	6.0%	5.6%	-1.8%

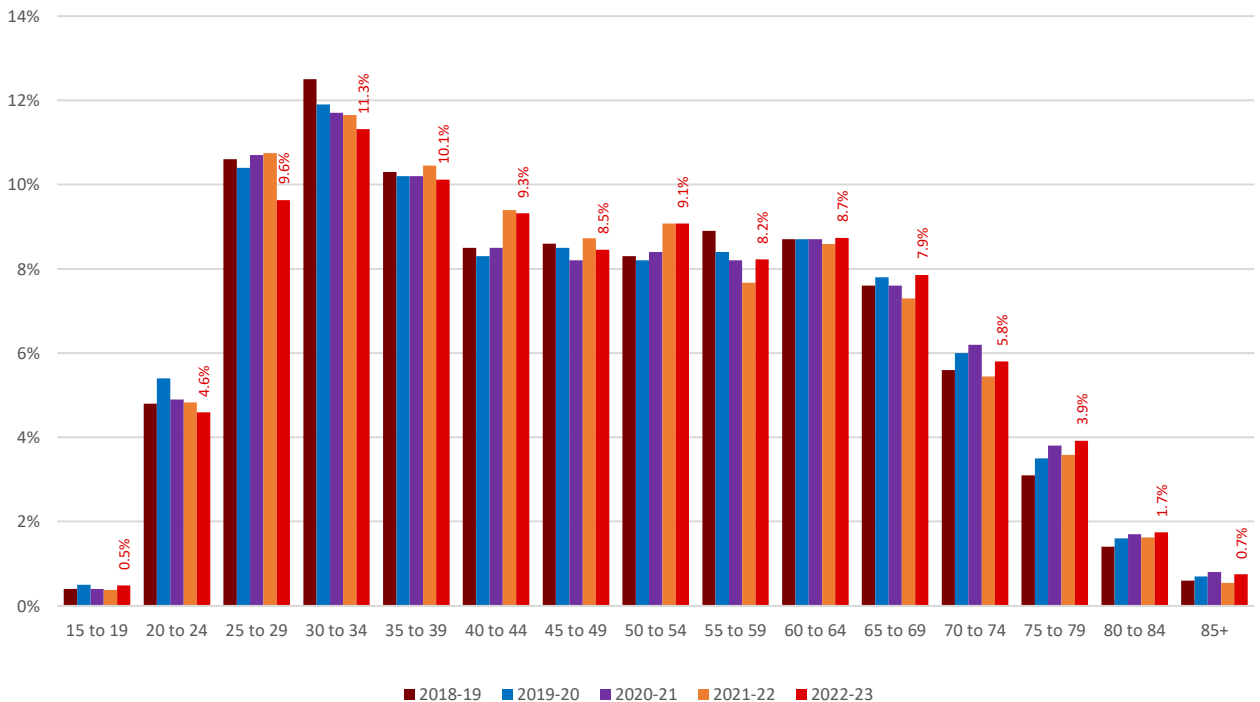
	Under 55		Over 55	
	15-34	35-54	55-74	75+
2021-22	49,971	68,157	52,525	10,690
2022-23	46,349	65,832	54,532	11,417
Change	-7.2%	-3.4%	3.8%	6.8%





With cost of living impacting young consumers the most, sales to those aged below 35 were down 7.2%. Conversely, sales to consumers aged over 75 increased by 6.8% from last year.

Figure 13: Proportion of Sales by 5-year Age Cohort, 2018-19 to 2022-23



**Key findings sales by age by customer status:**

- New entrants tend to be younger in age, with switchers more evenly spread across age cohorts from 30 through to 74 years.
- Over half of new entrants in 2022-23 (52.1%) were aged 34 years or below. By contrast, only 5.4% are aged 65 years or over, with over nine in ten sales to consumers aged over 65 to those switching policies.
- The proportion of sales to new entrants in all age categories except those over 85 increased in 2022-23. Notably, sales by PHIA members to people aged 20 to 24 were far more likely to be to a new entrant in 2022-23 (79.9%) than they were in 2021-22 (67.6%).
- Accounting for 20.3% of sales to new to private health insurance consumers, the most common age cohort for new entrants was 25 to 29 years. A further 18.5% of new entrants were in the 30-34 age group.
- Only 14.3% of switchers are aged 34 years or below, compared with 17.2% in 2021-22. Around two in five switchers (41.3%) were aged between 50 to 69 years, with proportions relatively consistent across these age cohorts.

Figure 14: Proportion of Sales per 5-year Age Cohort, by Customer Status, 2022-23

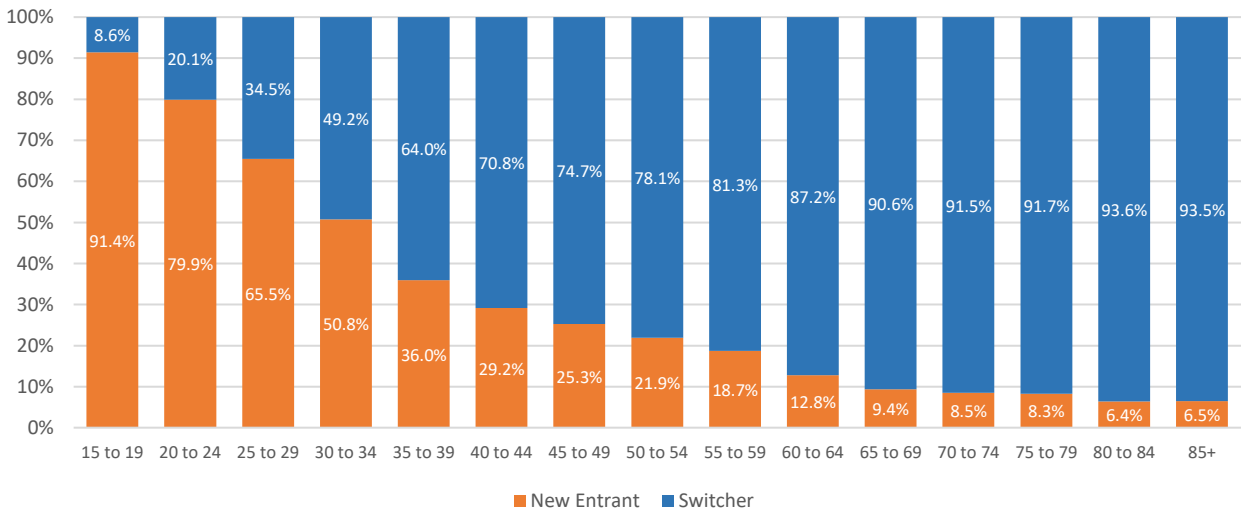


Table 4: Proportion of Sales to New Entrants, by 5-year Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2021-22	84.3%	67.6%	57.9%	47.3%	31.3%	26.3%	23.4%	19.9%	18.6%	11.8%	9.1%	8.0%	7.1%	6.2%	6.8%
2022-23	<b>91.4%</b>	<b>79.9%</b>	<b>65.5%</b>	<b>50.8%</b>	<b>36.0%</b>	<b>29.2%</b>	<b>25.3%</b>	<b>21.9%</b>	<b>18.7%</b>	<b>12.8%</b>	<b>9.4%</b>	<b>8.5%</b>	<b>8.3%</b>	<b>6.4%</b>	<b>6.5%</b>

Table 5: Proportion of Sales per Customer Type, by 5-year Age Cohort, 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
New Entrant	1.4%	11.8%	20.3%	18.5%	11.7%	8.8%	6.9%	6.4%	5.0%	3.6%	2.4%	1.6%	1.0%	0.4%	0.2%	100.0%
Switcher	0.1%	1.3%	4.8%	8.1%	9.4%	9.6%	9.2%	10.3%	9.7%	11.0%	10.3%	7.7%	5.2%	2.4%	1.0%	100.0%

Figure 14 & Table 3 & 4: Please provide the TOTAL NUMBER of sales by Age Cohort by Type (2020-21, 2021-22 and 2022-23: n = 4)



## Sales by Hospital Tier

Amidst the backdrop of rising costs and inflation, consumers leaned towards lower tiered private health insurance products in 2022-23.

At an overall level, there has been a shift in preference to lower tiered products within each band in 2022-23, with a higher proportion of sales being for base, rather than plus tiered products when compared to 2021-22. This trend towards more affordable policies suggests that consumers were more cost conscious in 2022-23 than in previous years.

### Key findings sales by hospital tier:

- At 32.3% of all sales, bronze plus policies continued to be the most sold in 2022-23, accounting for a total of 51,296 policies, down 5.1% from 54,055 in 2021-22. While new entrants to the private health insurance market were most likely to purchase bronze plus policies, accounting for 37.2% of all sales to this cohort, this was down from 39.8% in 2021-22. By contrast there was an increase in the proportion of new entrants purchasing bronze products, from 8.5% to 9.7%.
- While silver and silver plus tiers continue to be the most popular among switchers, 2022-23 has seen a shift in preference, with a higher proportion of switchers choosing silver (17.9%, up from 14.7%) products over silver plus (30.1%, down from 33.3%) products than in 2021-22. This drop has meant that switchers were equally likely to have purchased a silver plus or bronze plus product in 2022-23 (30.1% for each).
- Basic and basic plus tier policies accounted for 7.6% and 5.4% of total sales in 2022-23 respectively, with sales of basic products higher, and sales of basic plus products lower, than in 2021-22. Sales of basic and basic plus products were more common among new entrants than switchers. While both cohorts saw a shift in preference for basic rather than basic plus products, this shift was more pronounced in new entrants, with sales of basic products accounting for 12.2% of sales in 2022-23, compared with 9.6% in 2021-22.
- Gold policies remain the least common hospital tier, dropping from 5.8% to 4.9% of all sales. A total of 7,813 gold policies were sold by PHIA members in 2022-23, down 3.0% from 2021-22. Interestingly, gold sales continue to be more likely to be sold to new entrants than to switchers, with sales of gold tier policies making up 7.8% of policies sold to new entrants to private health insurance, compared with 3.7% of sales to those switching their policy to gold.

Figure 15: Proportion of Sales per Customer Status, by Hospital Tier, 2022-23

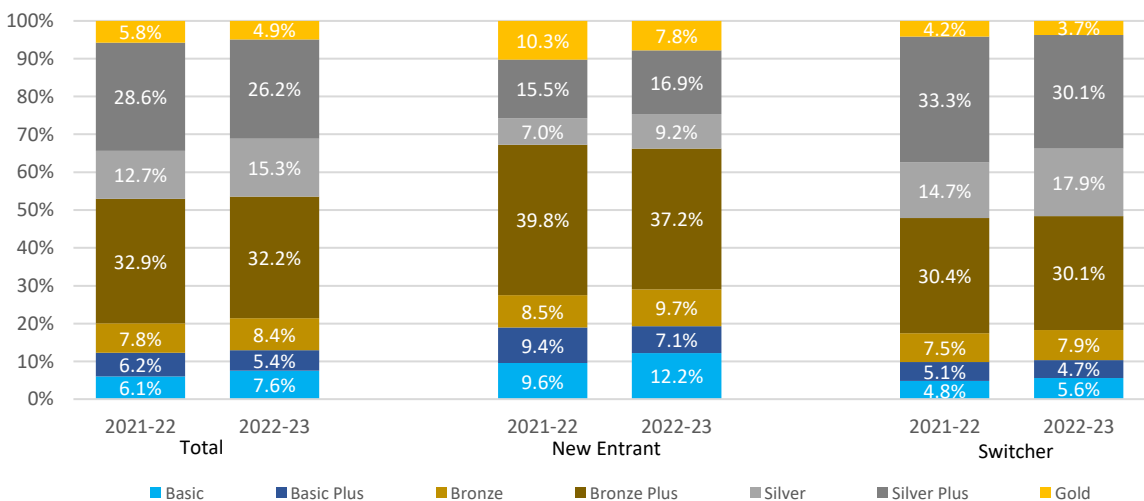


Figure 15 & Table 5: Please provide the TOTAL NUMBER of sales by Hospital Tier (2021-22: n = 5, 2022-23: n = 4)

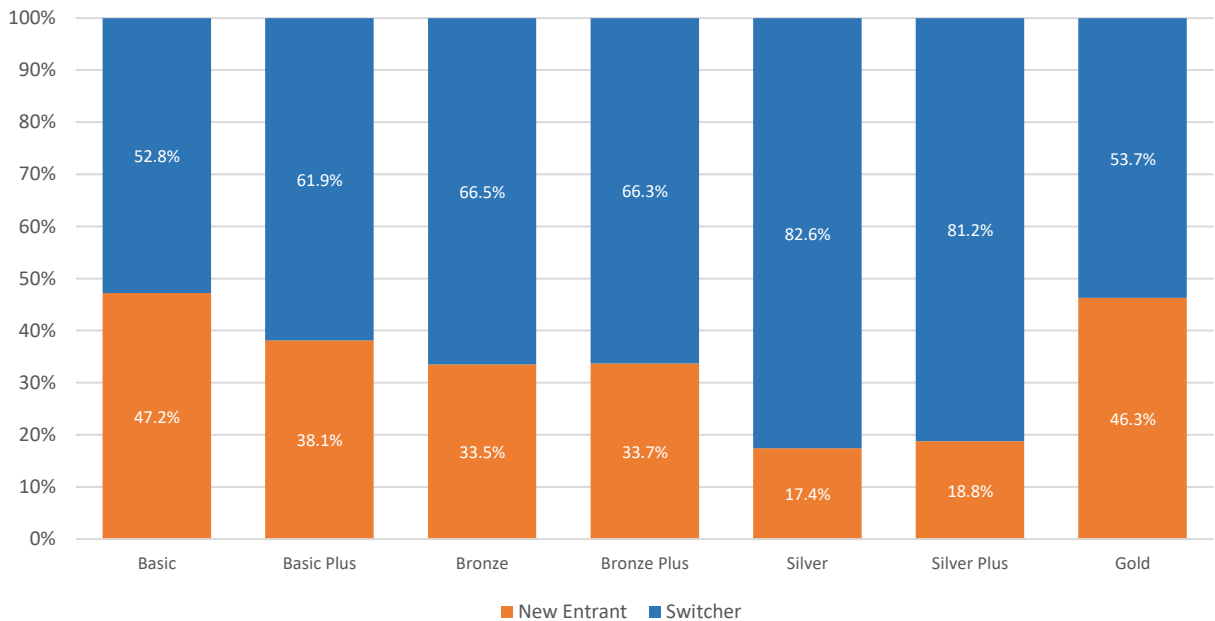
Table 6: Number of Sales per Hospital Tier by Customer Status, 2022-23

	Basic	Basic Plus	Bronze	Bronze Plus	Silver	Silver Plus	Gold	Total
New Entrants	5,692	3,294	4,516	17,287	4,257	7,844	3,615	<b>46,505</b>
Switchers	6,358	5,344	8,955	34,009	20,175	33,960	4,198	<b>112,999</b>
Total	12,050	8,638	13,471	51,296	24,432	41,804	7,813	<b>159,504</b>
% of Total	<b>7.6%</b>	<b>5.4%</b>	<b>8.4%</b>	<b>32.2%</b>	<b>15.3%</b>	<b>26.2%</b>	<b>4.9%</b>	<b>100%</b>

**Key findings sales by hospital tier, by customer type:**

- As a proportion of policies sold at each product tier, new entrants were most likely to have purchased basic or gold policies, with PHIA members selling 47.2% and 46.3% of these policies to new entrants respectively.
- By contrast, only 17.4% of all silver and 18.8% of all silver plus policies were sold to new entrants in 2022-23, with these product tiers instead most likely to be sold to people switching policies.
- Compared to 2021-22, there was an increase in the proportion of basic, bronze, bronze plus, silver and silver plus policies sold to new entrants.
- While the proportion of basic plus policies sold to new entrants dropped from 39.7% to 38.1%, the proportion of gold policies remained relatively consistent at 46.3% (compared with 46.5% in 2021-22).

Figure 16: Proportion of Sales per Hospital Tier, by Customer Status, 2022-23



**Key findings sales by hospital tier and age cohort:**

- The 2022-23 survey again collected data by hospital tier and age cohort. Figure 18 shows the percentage of sales per age cohort by hospital tier, while Table 8 shows the percentage of sales of each hospital tier made to consumers in different each age groups.
- In 2022-23, a little under three in five sales (57.8%) for basic tier policies were to people aged under 40 years, consistent with 58.0% from 2021-22. Despite this, basic tier policy sales made up less than one-quarter of sales to this age group. At 23% and 24% respectively, those aged 25-29 or 30-34 years were the most likely to purchase basic policies, presumably to avoid the lifetime health cover loading.
- Sales of bronze tier products are also more common among younger cohorts, with 48.7% of all bronze tier sales to people aged under 40 years, down slightly from 49.1% in 2021-22. The youngest customers were the most likely to purchase bronze tiered policies (62% of those aged 15-24 years), with the proportion of each age group purchasing a bronze tiered policy tapering down to only 9% of those aged 85 years or more.
- By contrast, sales of silver tiered policies were most common among older cohorts, with 74.3% of all sales at this tier made to customers aged over 50 years. In fact, over 80% of all sales made to customers aged 70 years or more were for a silver tiered policy.
- While sales of gold tier products were the least common overall, over a quarter of all sales for gold products were to people aged under 29 years (26.9%), up from 25.9% in 2021-22. Around one in ten people aged under 34 years opted for this level of cover, with proportions reducing with age.

Figure 17: Proportion of Sales per Age Cohort by Hospital Tier, 2022-23

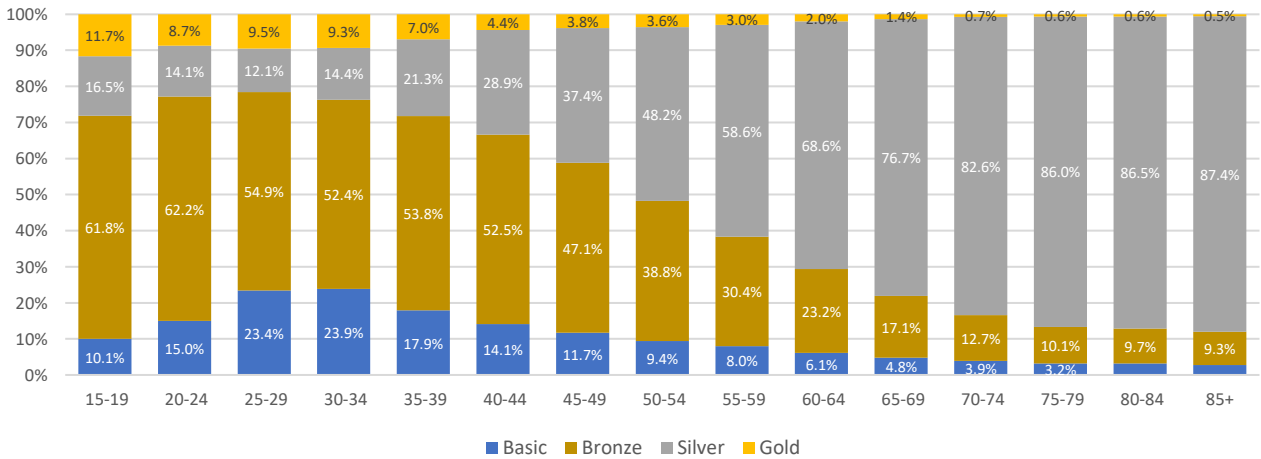
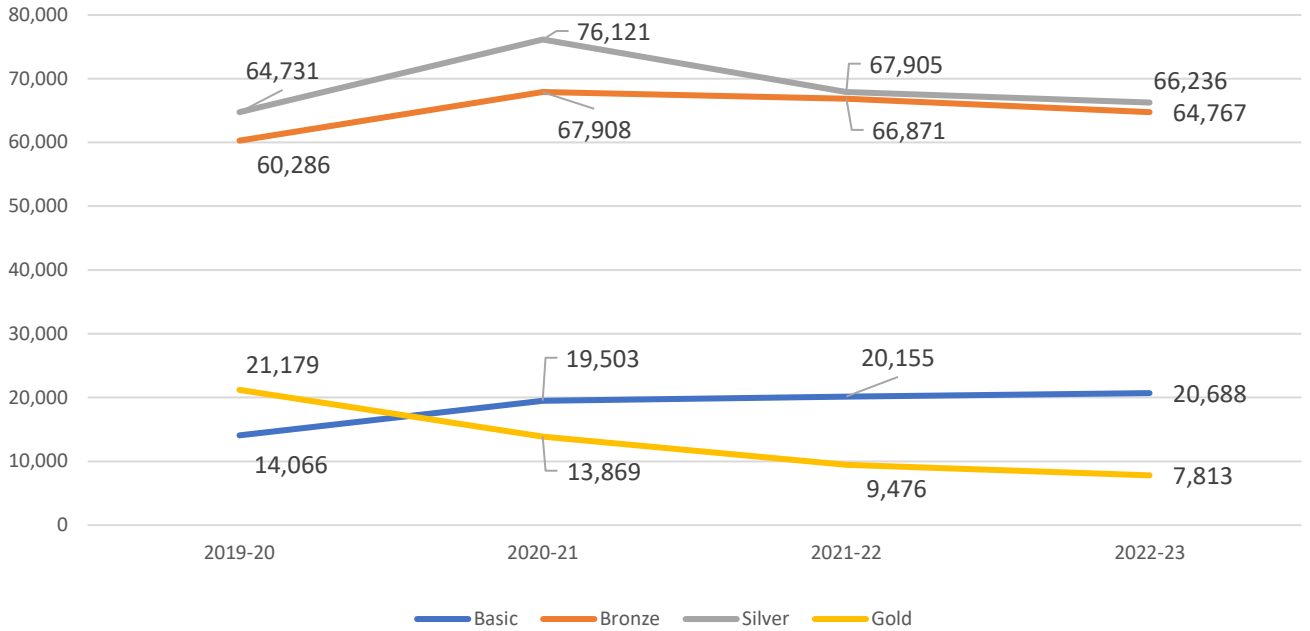


Table 7: Proportion of Sales per Hospital Tier by Age Cohort, 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
Basic	0.3%	5.0%	16.8%	21.2%	14.4%	10.5%	7.9%	6.9%	5.4%	4.4%	3.2%	1.9%	1.1%	0.5%	0.2%	100.0%
Bronze	0.7%	6.7%	12.6%	14.8%	13.8%	12.5%	10.2%	9.1%	6.5%	5.4%	3.6%	2.0%	1.1%	0.5%	0.2%	100.0%
Silver	0.2%	1.3%	2.5%	3.6%	4.8%	6.1%	7.2%	10.0%	11.1%	14.1%	14.3%	11.4%	8.0%	3.6%	1.6%	100.0%
Gold	1.0%	7.8%	18.1%	21.9%	14.9%	8.8%	6.9%	7.1%	5.3%	3.8%	2.4%	1.0%	0.5%	0.2%	0.1%	100.0%

Figure 17 & Table 7: Please provide the TOTAL NUMBER of sales by Age Cohort (2021-22: n = 5, 2022-23: n = 4)

Figure 18: Number of Sales by Hospital Tier, Time Series 2019-20 to 2022-23



While sales of gold policies have progressively fallen over the last four years, sales of basic policies continue to grow.



## Sales with Lifetime Health Cover (LHC)

People who take out private health insurance after they turn 31 are required to pay an additional loading (lifetime health cover (LHC)) on top of their premiums for 10 continuous years. This loading increases with age depending on when they first take out private health insurance

### Key findings lifetime health cover loading:

- In 2022-23, 29.9% of sales by PHIA members included the LHC loading. This is up from 23.1% of sales in 2021-22.
- Policies with LHC loading were generally more likely to be sold to younger customers, with 16.3% of sales with LHC an loading made to customers aged 35-39 years, and proportions decreasing with age to .03% of those aged 85 years or more. The only exception to this is among the youngest age group (those aged 30-34 years), who accounted for 11.1% of sales with an LHC loading in 2022-23.
- When compared with 2021-22, figures from the last financial year show a decrease in the proportion of sales with an LHC loading made to customers aged under 50 years (54.3%, down from 64.0%), with a corresponding increase in the proportion of sales with LHC loading made to those aged 50 years or more (45.7%, up from 36.0%). This suggests that more people aged over 50 may have taken out private health insurance for the first time in the last financial year.

Figure 19: Proportion of sales with LHC, by age, 2022-23

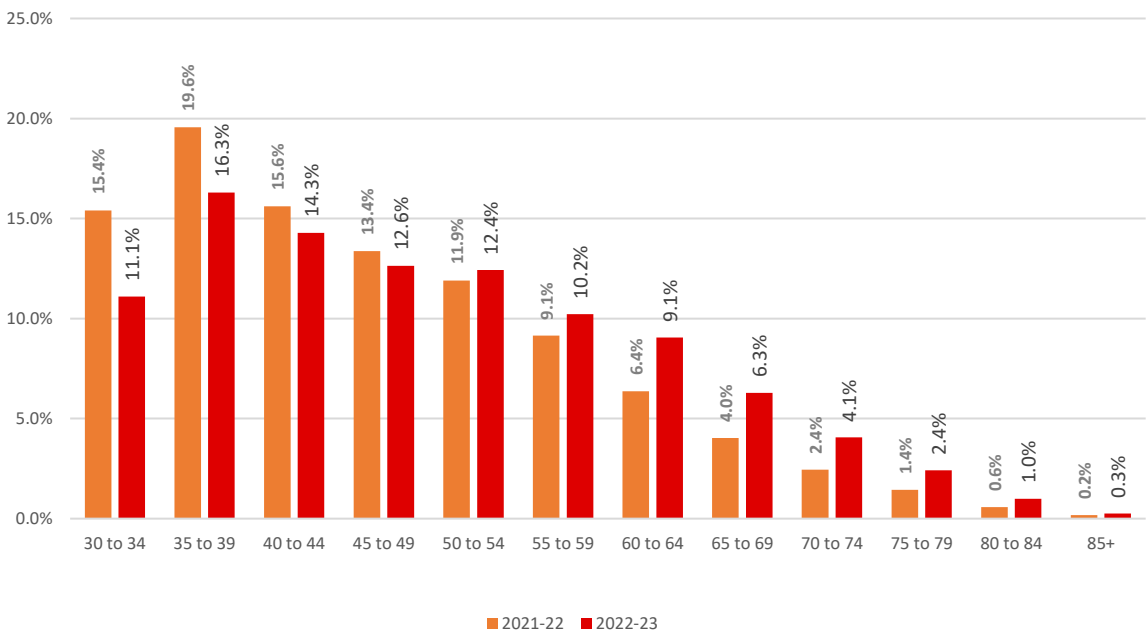


Figure 18: Using whole numbers only, please provide the total number of sales with LHC, by age (2021-22 and 2022-23: n = 4)

# Average Gross Annual Premiums (GAP) Sales

The average gross annual premiums (GAP) for combined and hospital only policies both increased by more than 4% in 2022-23.

## Key findings average gross annual premiums (GAP) by Cover Type:

- The average GAP for sales of combined policies continued to increase in 2022-23, up 4.1% from 2021-22 to \$4,141. This continues the upward trend from \$3,745 in 2017-18.
- For hospital-only policies, the GAP also increased, up 5.6% from 2021-22 to \$3,146. This is 14.8% above the GAP of \$2,741 from 2017-18.
- For extras-only policies, the average GAP dropped in 2022-23, down 0.6% from \$1,082 in 2021-22 to \$1,076 in 2022-23.
- The higher increase in the average GAP for combined and hospital-only policies reported by PHIA members when compared to the increase reported by the Federal Government suggests that customers seeking assistance from an intermediary may be looking for the best cover they can afford within their chosen tier or opting not to take out any cover at all.

Figure 20: Average Gross Annual Premium (GAP) Sales by Cover Type, 2017-18 to 2022-23

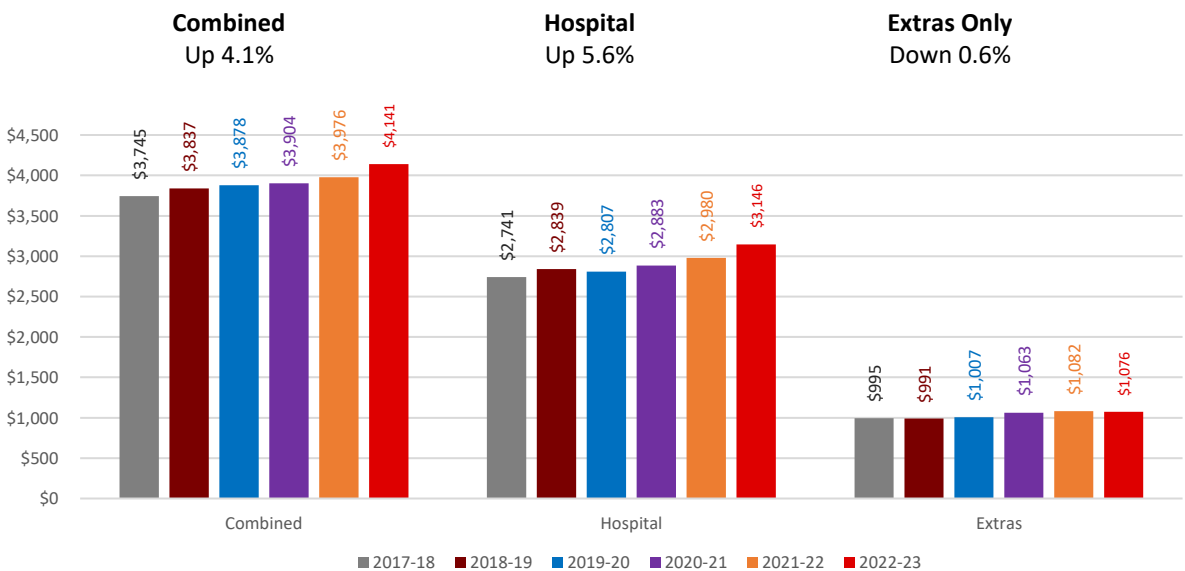


Figure 19: Average Gross Annual Premium (GAP) Sales (2017-18 and 2018-19: n = 6, 2019-20, 2020-21 and 2021-22: n = 5, 2022-23: n = 4)

### Key findings average gross annual premiums (GAP) by Customer Type and Age Cohort

- In 2022-23, the average GAP paid by PHIA customers for single policies was \$2,369. This increased to \$3,658 for single parent policies and \$4,746 for families.
- Interestingly, the highest average GAP in 2022-23 was for couple policies, at \$5,391, although this is likely impacted by the fact that there were far fewer couple policies sold by PHIA members in 2022-23 than family policies.
- The average GAP paid by PHIA customers in 2022-23 generally increased with age, rising from \$1,949 for those aged 15-19 up to \$4,595 for those aged 70-75, before dropping again down to \$4,031 for those aged 85 years or more.

Figure 21: Average Gross Annual Premium (GAP) Sales by Customer Type, 2022-23

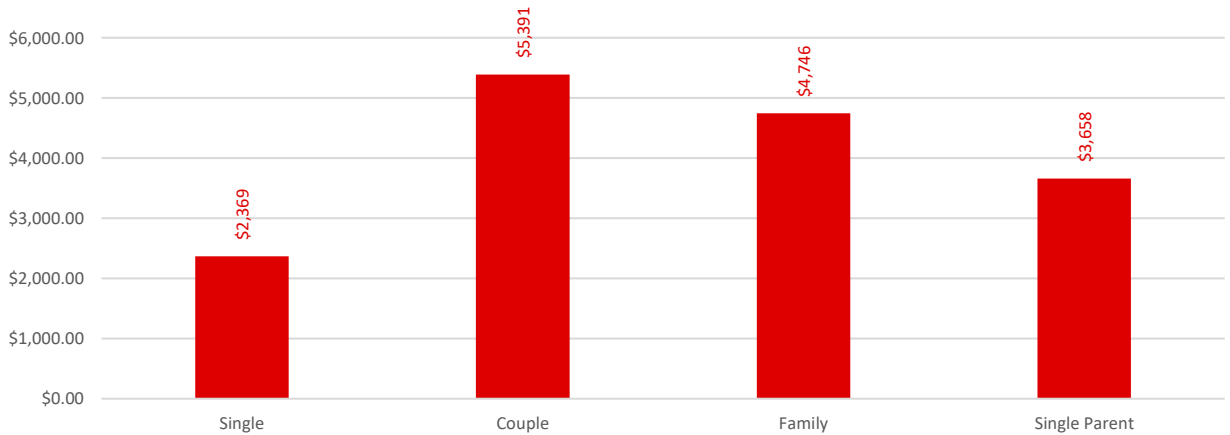


Table 8: Average Gross Annual Premium (GAP) Sales by Age Cohort, 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
Average Premium	\$1,949	\$2,096	\$2,377	\$2,830	\$3,455	\$3,835	\$4,102	\$4,297	\$4,369	\$4,467	\$4,538	\$4,595	\$4,553	\$4,395	\$4,031

# Appendix



# Data Tables

Table 1. Number of Leads Generated per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average	Total
2017-18	171,740	168,689	164,556	144,491	126,696	102,808	165,843	191,584	309,254	168,163	178,615	214,751	175,599	2,107,190
2018-19	182,946	176,723	155,646	155,992	152,439	108,883	183,647	194,496	313,334	173,904	182,930	215,964	183,075	2,196,904
2019-20	203,990	179,751	163,691	186,449	163,318	120,866	184,830	205,444	265,489	113,548	151,239	174,968	176,132	2,113,583
2020-21	171,475	152,277	198,440	177,001	129,561	97,383	170,974	174,092	296,343	150,937	164,136	183,847	172,206	2,066,466
2021-22	158,033	143,587	136,054	127,960	124,949	80,250	135,749	143,571	204,055	124,205	138,794	151,979	139,099	1,669,186
2022-23	160,690	169,154	157,739	192,377	136,333	97,038	166,189	179,670	249,994	135,570	169,139	208,217	168,509	2,022,110
<b>Change 21-22 to 22-23</b>	<b>1.7%</b>	<b>17.8%</b>	<b>15.9%</b>	<b>50.3%</b>	<b>9.1%</b>	<b>20.9%</b>	<b>22.4%</b>	<b>25.1%</b>	<b>22.5%</b>	<b>9.2%</b>	<b>21.9%</b>	<b>37.0%</b>	<b>21.1%</b>	<b>21.1%</b>

Table 2. Proportion of Leads Generated per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average
2017-18	8.2%	8.0%	7.8%	6.9%	6.0%	4.9%	7.9%	9.1%	14.7%	8.0%	8.5%	10.2%	8.3%
2018-19	8.3%	8.0%	7.1%	7.1%	6.9%	5.0%	8.4%	8.9%	14.3%	7.9%	8.3%	9.8%	8.3%
2019-20	9.7%	8.5%	7.7%	8.8%	7.7%	5.7%	8.7%	9.7%	12.6%	5.4%	7.2%	8.3%	8.3%
2020-21	8.3%	7.4%	9.6%	8.6%	6.3%	4.7%	8.3%	8.4%	14.3%	7.3%	7.9%	8.9%	8.3%
2021-22	9.5%	8.6%	8.2%	7.7%	7.5%	4.8%	8.1%	8.6%	12.2%	7.4%	8.3%	9.1%	8.3%
2022-23	7.9%	8.4%	7.8%	9.5%	6.7%	4.8%	8.2%	8.9%	12.4%	6.7%	8.4%	10.3%	8.3%

Table 3. Number of Sales per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average	Total *
2017-18	13,508	13,771	14,482	13,133	11,982	9,156	13,838	16,318	32,145	13,892	15,240	19,896	15,613	187,361
2018-19	14,398	14,241	13,143	13,680	12,741	8,677	14,771	16,828	30,544	13,717	17,371	19,954	15,839	190,065
2019-20	16,113	14,437	13,946	15,446	14,036	10,633	15,616	17,589	28,833	12,633	13,148	18,308	15,895	190,738
2020-21	15,177	13,968	19,224	13,107	12,240	8,994	14,746	16,282	32,856	14,457	15,037	20,073	16,347	196,161
2021-22	16,531	16,643	16,726	15,916	14,538	8,994	13,326	15,748	25,319	11,555	14,373	18,485	15,680	188,154
2022-23	14,810	15,824	15,195	17,847	13,345	8,655	13,904	14,632	22,702	11,829	16,582	20,935	15,522	186,260
<b>Change 21-22 to 22-23</b>	<b>-10.4%</b>	<b>-4.9%</b>	<b>-9.2%</b>	<b>12.1%</b>	<b>-8.2%</b>	<b>-3.8%</b>	<b>4.3%</b>	<b>-7.1%</b>	<b>-10.3%</b>	<b>2.4%</b>	<b>15.4%</b>	<b>13.3%</b>	<b>-1.0%</b>	<b>-1.0%</b>

Table 4. Proportion of Sales per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average
2017-18	7.2%	7.3%	7.7%	7.0%	6.4%	4.9%	7.4%	8.7%	17.2%	7.4%	8.1%	10.6%	8.3%
2018-19	7.6%	7.5%	6.9%	7.2%	6.7%	4.6%	7.8%	8.9%	16.1%	7.2%	9.1%	10.5%	8.3%
2019-20	8.4%	7.6%	7.3%	8.1%	7.4%	5.6%	8.2%	9.2%	15.1%	6.6%	6.9%	9.6%	8.3%
2020-21	7.7%	7.1%	9.8%	6.7%	6.2%	4.6%	7.5%	8.3%	16.7%	7.4%	7.7%	10.2%	8.3%
2021-22	8.8%	8.8%	8.9%	8.5%	7.7%	4.8%	7.1%	8.4%	13.5%	6.1%	7.6%	9.8%	8.3%
2022-23	8.0%	8.5%	8.2%	9.6%	7.2%	4.6%	7.5%	7.9%	12.2%	6.4%	8.9%	11.2%	8.3%

\* Totals do not always align across indicators due to different measuring and recording methods used within categories by some respondents. These differences can result in the non-alignment of reported figures.

Table 5. Ratio of Sales per Lead, per Month, 2017-18 to 2022-23

	July	August	September	October	November	December	January	February	March	April	May	June	Average
2017-18	7.9%	8.2%	8.8%	9.1%	9.5%	8.9%	8.3%	8.5%	10.4%	8.3%	8.5%	9.3%	<b>8.8%</b>
2018-19	7.9%	8.1%	8.4%	8.8%	8.4%	8.0%	8.0%	8.7%	9.7%	7.9%	9.5%	9.2%	<b>8.5%</b>
2019-20	7.9%	8.0%	8.5%	8.3%	8.6%	8.8%	8.4%	8.6%	10.9%	11.1%	8.7%	10.5%	<b>9.0%</b>
2020-21	8.9%	9.2%	9.7%	7.4%	9.4%	9.2%	8.6%	9.4%	11.1%	9.6%	9.2%	10.9%	<b>9.4%</b>
2021-22	10.5%	11.6%	12.3%	12.4%	11.6%	11.2%	9.8%	11.0%	12.4%	9.3%	10.4%	12.2%	<b>11.2%</b>
2022-23	9.2%	9.4%	9.6%	9.3%	9.8%	8.9%	8.4%	8.1%	9.1%	8.7%	9.8%	10.1%	<b>9.2%</b>

Table 6. Number of Sales by Customer Type, 2017-18 to 2022-23

	Singles	Couples	Families	Single Parents	Total *
2017-18	87,081	42,668	48,133	9,323	<b>187,205</b>
2018-19	90,430	43,735	46,532	9,127	<b>189,824</b>
2019-20	92,606	42,996	45,031	10,105	<b>190,738</b>
2020-21	98,630	42,763	44,461	10,307	<b>196,161</b>
2021-22	90,859	37,830	43,632	9,928	<b>182,249</b>
2022-23	86,786	37,313	44,566	10,395	<b>179,060</b>
<b>Change from 21-22 to 22-23</b>	<b>-4.5%</b>	<b>-1.4%</b>	<b>2.1%</b>	<b>4.7%</b>	<b>-1.7%</b>

Table 7. Proportion of Sales by Customer Type, 2017-18 to 2022-23

	Singles	Couples	Families	Single Parents
2017-18	46.5%	22.8%	25.7%	5.0%
2018-19	47.6%	23.0%	24.5%	4.8%
2019-20	48.8%	22.5%	23.6%	5.3%
2020-21	50.3%	21.8%	22.7%	5.3%
2021-22	49.9%	20.8%	23.9%	5.4%
2022-23	48.5%	20.8%	24.9%	5.8%

Table 8. Number of Sales by Cover Type, 2017-18 to 2022-23

	Combined	Hospital Only	Extras Only	Total *
2017-18	127,821	27,699	25,688	<b>181,208</b>
2018-19	129,183	32,196	28,040	<b>189,419</b>
2019-20	134,669	29,121	26,948	<b>190,738</b>
2020-21	142,633	28,202	25,326	<b>196,161</b>
2021-22	138,290	25,228	19,098	<b>182,616</b>
2022-23	137,249	25,577	15,642	<b>178,468</b>
<b>Change from 21-22 to 22-23</b>	<b>-0.8%</b>	<b>1.4%</b>	<b>-18.1%</b>	<b>-2.3%</b>

Table 9. Proportion of Sales by Cover Type, 2017-18 to 2022-23

	Combined	Hospital Only	Extras Only
2017-18	70.5%	15.3%	14.2%
2018-19	68.2%	17.0%	14.8%
2019-20	70.6%	15.3%	14.1%
2020-21	72.7%	14.4%	12.9%
2021-22	75.7%	13.8%	10.5%
2022-23	46.9%	14.3%	8.8%

Table 10. Number of Sales by Customer Status, 2017-18 to 2022-23

	New Entrant	Switchers	Total *
2017-18	52,456	134,623	<b>187,079</b>
2018-19	52,337	137,549	<b>189,886</b>
2019-20	52,552	137,915	<b>190,467</b>
2020-21	61,078	134,765	<b>195,843</b>
2021-22	52,240	129,093	<b>181,333</b>
2022-23	55,277	122,854	<b>178,130</b>
<b>Change from 21-22 to 22-23</b>	<b>5.8%</b>	<b>-4.8%</b>	<b>-1.8%</b>

Table 11. Proportion of Sales by Customer Status, 2017-18 to 2022-23

	New Entrant	Switchers
2017-18	28.0%	72.0%
2018-19	27.6%	72.4%
2019-20	27.6%	72.4%
2020-21	31.2%	68.8%
2021-22	28.8%	71.2%
2022-23	31.0%	69.0%

\* Totals do not always align across indicators due to different measuring and recording methods used within categories by some respondents. These differences can result in the non-alignment of reported figures.

Table 12. Number of Sales by Age Cohort, 2017-18 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total *
2017-18	623	9,158	21,570	24,936	19,790	16,718	16,667	15,539	16,548	15,218	13,081	9,218	4,870	1,964	927	186,827
2018-19	792	8,992	19,883	23,460	19,256	15,828	16,138	15,500	16,563	16,360	14,254	10,523	5,816	2,602	1,110	187,077
2019-20	1,008	10,369	19,736	22,567	19,451	15,776	16,246	15,609	15,903	16,644	14,781	11,456	6,641	2,970	1,280	190,437
2020-21	807	9,571	20,976	22,870	20,007	16,685	16,014	16,505	15,969	17,099	14,918	12,050	7,453	3,418	1,501	195,843
2021-22	687	8,741	19,455	21,088	18,918	17,009	15,804	16,426	13,893	15,556	13,210	9,856	6,492	2,938	1,260	181,058
2022-23	861	8,178	17,159	20,151	18,017	16,593	15,061	16,161	14,653	15,559	13,986	10,334	6,972	3,114	1,331	178,130
<b>Change 20-21 to 21-22</b>	<b>25.3%</b>	<b>-6.4%</b>	<b>-11.8%</b>	<b>-4.4%</b>	<b>-4.8%</b>	<b>-2.4%</b>	<b>-4.7%</b>	<b>-1.6%</b>	<b>5.5%</b>	<b>0.0%</b>	<b>5.9%</b>	<b>4.8%</b>	<b>7.4%</b>	<b>6.0%</b>	<b>5.6%</b>	<b>-1.8%</b>

Table 13. Proportion of Sales by Age Cohort, 2017-18 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2017-18	0.3%	4.9%	11.5%	13.3%	10.6%	8.9%	8.9%	8.3%	8.9%	8.1%	7.0%	4.9%	2.6%	1.1%	0.5%
2018-19	0.4%	4.8%	10.6%	12.5%	10.3%	8.5%	8.6%	8.3%	8.9%	8.7%	7.6%	5.6%	3.1%	1.4%	0.6%
2019-20	0.5%	5.4%	10.4%	11.9%	10.2%	8.3%	8.5%	8.2%	8.4%	8.7%	7.8%	6.0%	3.5%	1.6%	0.7%
2020-21	0.4%	4.9%	10.7%	11.7%	10.2%	8.5%	8.2%	8.4%	8.2%	8.7%	7.6%	6.2%	3.8%	1.7%	0.8%
2021-22	0.4%	4.8%	10.7%	11.6%	10.4%	9.4%	8.7%	9.1%	7.7%	8.6%	7.3%	5.4%	3.6%	1.6%	0.7%
2022-23	0.5%	4.6%	9.6%	11.3%	10.1%	9.3%	8.5%	9.1%	8.2%	8.7%	7.9%	5.8%	3.9%	1.7%	0.7%

Table 14. Number of Sales to New Entrants by Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
2021-22	579	5,906	11,261	9,968	5,927	4,472	3,705	3,272	2,587	1,840	1,201	793	460	183	86	52,240
2022-23	787	6,536	11,237	10,233	6,483	4,844	3,809	3,545	2,744	1,997	1,315	882	580	199	86	55,277
<b>Change 20-21 to 21-22</b>	<b>35.9%</b>	<b>10.7%</b>	<b>-0.2%</b>	<b>2.7%</b>	<b>9.4%</b>	<b>8.3%</b>	<b>2.8%</b>	<b>8.3%</b>	<b>6.1%</b>	<b>8.5%</b>	<b>9.5%</b>	<b>11.2%</b>	<b>26.1%</b>	<b>8.7%</b>	<b>-</b>	<b>5.8%</b>

Table 15. Proportion of Sales to New Entrants by Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2021-22	1.1%	11.3%	21.6%	19.1%	11.3%	8.6%	7.1%	6.3%	5.0%	3.5%	2.3%	1.5%	0.9%	0.4%	0.2%
2022-23	1.4%	11.8%	20.3%	18.5%	11.7%	8.8%	6.9%	6.4%	5.0%	3.6%	2.4%	1.6%	1.0%	0.4%	0.2%

Table 16. Number of Sales to Switchers by Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
2021-22	108	2,835	8,194	11,120	12,991	12,537	12,099	13,154	11,306	13,716	12,009	9,063	6,032	2,755	1,174	129,093
2022-23	74	1,642	5,922	9,918	11,534	11,749	11,252	12,616	11,909	13,562	12,671	9,452	6,392	2,915	1,245	122,853
<b>Change 20-21 to 21-22</b>	<b>-31.5%</b>	<b>-42.1%</b>	<b>-27.7%</b>	<b>-10.8%</b>	<b>-11.2%</b>	<b>-6.3%</b>	<b>-7.0%</b>	<b>-4.1%</b>	<b>5.3%</b>	<b>-1.1%</b>	<b>5.5%</b>	<b>4.3%</b>	<b>6.0%</b>	<b>5.8%</b>	<b>6.0%</b>	<b>-4.8%</b>

Table 17. Proportion of Sales to Switchers by Age Cohort, 2021-22 to 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2021-22	0.1%	2.2%	6.3%	8.6%	10.1%	9.7%	9.4%	10.2%	8.8%	10.6%	9.3%	7.0%	4.7%	2.1%	0.9%
2022-23	0.1%	1.3%	4.8%	8.1%	9.4%	9.6%	9.2%	10.3%	9.7%	11.0%	10.3%	7.7%	5.2%	2.4%	1.0%

\* Totals do not always align across indicators due to different measuring and recording methods used within categories by some respondents. These differences can result in the non-alignment of reported figures.

Table 18. Number of Sales by Hospital Tier, 2019-20 to 2022-23

	Basic	Bronze	Silver	Gold	Total *
2019-20	14,066	60,286	64,731	21,179	<b>160,262</b>
2020-21	19,503	67,908	76,121	13,869	<b>177,401</b>
2021-22	20,155	66,871	67,905	9,476	<b>164,407</b>
2022-23	20,688	64,767	66,236	7,813	<b>159,504</b>
Change 21-22 to 22-23	2.6%	-3.1%	-2.5%	-17.5%	-3.0%

Table 19. Proportion of Sales by Hospital Tier, 2019-20 to 2022-23

	Basic	Bronze	Silver	Gold	Total
2019-20	8.8%	37.6%	40.4%	13.2%	<b>100%</b>
2020-21	11.0%	38.3%	42.9%	7.8%	<b>100%</b>
2021-22	12.3%	40.7%	41.3%	5.8%	<b>100%</b>
2022-23	13.0%	40.6%	41.5%	4.9%	<b>100%</b>

Table 20. Number of Sales to New Entrants by Hospital Tier, 2021-22 to 2022-23

	Basic	Basic Plus	Bronze	Bronze Plus	Silver	Silver Plus	Gold	Total *
2021-22	4,117	4,041	3,652	17,062	2,991	6,645	4,411	<b>42,919</b>
2022-23	5,692	3,294	4,516	17,287	4,257	7,844	3,615	<b>46,505</b>
Change 20-21 to 21-22	<b>38.3%</b>	<b>-18.5%</b>	<b>23.7%</b>	<b>1.3%</b>	<b>42.3%</b>	<b>18.0%</b>	<b>-18.0%</b>	<b>-3.0%</b>

Table 21. Proportion of Sales to New Entrants by Hospital Tier, 2021-22 to 2022-23

	Basic	Basic Plus	Bronze	Bronze Plus	Silver	Silver Plus	Gold
2021-22	9.6%	9.4%	8.5%	39.8%	7.0%	15.5%	10.3%
2022-23	12.2%	7.1%	9.7%	37.2%	9.2%	16.9%	7.8%

Table 22. Number of Sales to Switchers by Hospital Tier, 2021-22 to 2022-23

	Basic	Basic Plus	Bronze	Bronze Plus	Silver	Silver Plus	Gold	Total *
2021-22	5,859	6,138	9,164	36,993	17,870	40,399	5,065	<b>121,488</b>
2022-23	6,358	5,344	8,955	34,009	20,175	33,960	4,198	<b>122,999</b>
Change 20-21 to 21-22	<b>8.5%</b>	<b>-12.9%</b>	<b>-2.3%</b>	<b>-8.1%</b>	<b>12.9%</b>	<b>-15.9%</b>	<b>-17.1%</b>	<b>-7.0%</b>

Table 23. Proportion of Sales to Switchers by Hospital Tier, 2021-22 to 2022-23

	Basic	Basic Plus	Bronze	Bronze Plus	Silver	Silver Plus	Gold
2021-22	4.8%	5.1%	7.5%	30.4%	14.7%	33.3%	4.2%
2022-23	5.6%	4.7%	7.9%	30.1%	17.9%	30.1%	3.7%

Table 24. Proportion of Sales by Age Cohort and Hospital Tier, 2022-23

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
Basic	0.3%	5.0%	16.8%	21.1%	14.3%	10.5%	7.9%	6.9%	5.4%	4.4%	3.2%	1.9%	1.1%	0.5%	0.2%	<b>100%</b>
Bronze	0.7%	6.7%	12.6%	14.8%	13.8%	12.5%	10.2%	9.1%	6.5%	5.4%	3.6%	2.0%	1.1%	0.5%	0.2%	<b>100%</b>
Silver	0.2%	1.3%	2.5%	3.6%	4.8%	6.1%	7.2%	10.0%	11.1%	14.1%	14.3%	11.4%	8.0%	3.6%	1.6%	<b>100%</b>
Gold	1.0%	7.8%	18.1%	21.9%	14.9%	8.8%	6.9%	7.1%	5.3%	3.8%	2.4%	1.0%	0.5%	0.2%	0.1%	<b>100%</b>

\* Totals do not always align across indicators due to different measuring and recording methods used within categories by some respondents. These differences can result in the non-alignment of reported figures.

Table 25. Number of Sales with LHC, by Age Cohort, 2021-22 to 2022-23

	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+	Total
2021-22	5,408	6,873	5,482	4,697	4,179	3,213	2,232	1,417	857	502	200	58	35,118
2022-23	5,040	7,409	6,493	5,740	5,644	4,646	4,116	2,853	1,841	1,906	446	114	45,438
<b>Change 20-21 to 21-22</b>	<b>-6.8%</b>	<b>7.8%</b>	<b>18.4%</b>	<b>22.2%</b>	<b>35.1%</b>	<b>44.6%</b>	<b>84.4%</b>	<b>101.3%</b>	<b>114.8%</b>	<b>118.3%</b>	<b>123.0%</b>	<b>96.6%</b>	<b>29.4%</b>

Table 26. Proportion of Sales with LHC, by Age Cohort, 2021-22 to 2022-23

	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2021-22	15.4%	19.6%	15.6%	13.4%	11.9%	9.1%	6.4%	4.0%	2.4%	1.4%	0.6%	0.2%
2022-23	11.1%	16.3%	14.3%	12.6%	12.4%	10.2%	9.1%	6.3%	4.1%	2.4%	1.0%	0.3%

Table 27. Average Gross Annual Premium (GAP) Sales by Cover Type, 2017-18 to 2022-23

	Combined	Hospital	Extras
2017-18	\$3,745	\$2,741	\$995
2018-19	\$3,837	\$2,839	\$991
2019-20	\$3,878	\$2,807	\$1,007
2020-21	\$3,904	\$2,883	\$1,063
2021-22	\$3,976	\$2,980	\$1,082
2022-23	\$4,141	\$3,146	\$1,076
<b>Change 21-22 to 22-23</b>	<b>4.1%</b>	<b>5.6%</b>	<b>-0.6%</b>

Table 28. Average Gross Annual Premium (GAP) Sales by Customer Type

	Single	Couple	Family	Single Parent
2022-23	\$2,369	\$5,391	\$4,746	\$3,658

Table 29. Average Gross Annual Premium (GAP) Sales by Age Cohort

	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
2022-23	\$1,949	\$2,096	\$2,377	\$2,830	\$3,455	\$3,835	\$4,102	\$4,297	\$4,369	\$4,467	\$4,538	\$4,595	\$4,553	\$4,395	\$4,031

\* Totals do not always align across indicators due to different measuring and recording methods used within categories by some respondents. These differences can result in the non-alignment of reported figures.

# Methodology

The 2022-23 State of the Sector Survey was carried out by research firm Survey Matters on behalf of the Private Health Insurance Intermediaries Association Inc (PHIA).

A total of four PHIA member companies were invited to complete the 2022-23 State of the Sector Survey. All invited member companies completed the survey to give a completion rate of 100%. The member companies are estimated to account for approximately 90% of lead enquiries, sales and employees across the sector, providing confidence that the survey results provide an accurate representation of the market overall.

The survey was opened for member companies to complete on the 7<sup>th</sup> August 2023, and was closed on the 12<sup>th</sup> September 2023. Completed data was processed and analysed using Q statistical software and Microsoft Excel.

Data analysis and report writing were carried out and the report released to PHIA in September 2023.

To ensure that no individual company is able to be identified in the published results, the survey data has been analysed at an aggregate level, with all results reported as sector totals and percentages.

## ABOUT PHIIA

The Private Health Insurance Intermediaries Association (PHIIA) is a professional body established in 2002 to establish, implement and monitor standards for independent intermediaries, agents and brokers selling private health insurance in Australia.

The PHIIA Code of Conduct was created to improve the standards of our members and ensure overall quality of service in the industry. The Code was reviewed and updated and Version 2 was launched on 1st July 2015

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Private Health Insurance Intermediaries Association Inc

## ABOUT SURVEY MATTERS

Survey Matters is the only research agency exclusively servicing the association, membership and non-profit sector. We offer member engagement and satisfaction surveys, association benchmarks, industry statistics and public opinion research.

Survey Matters have helped a wide range of associations understand their value proposition. We also work with associations to generate and build industry data and knowledge to support advocacy, promotion, industry development and marketing activities. Our research provides the evidence to make better decisions, improve performance and increase value to members and stakeholders.

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