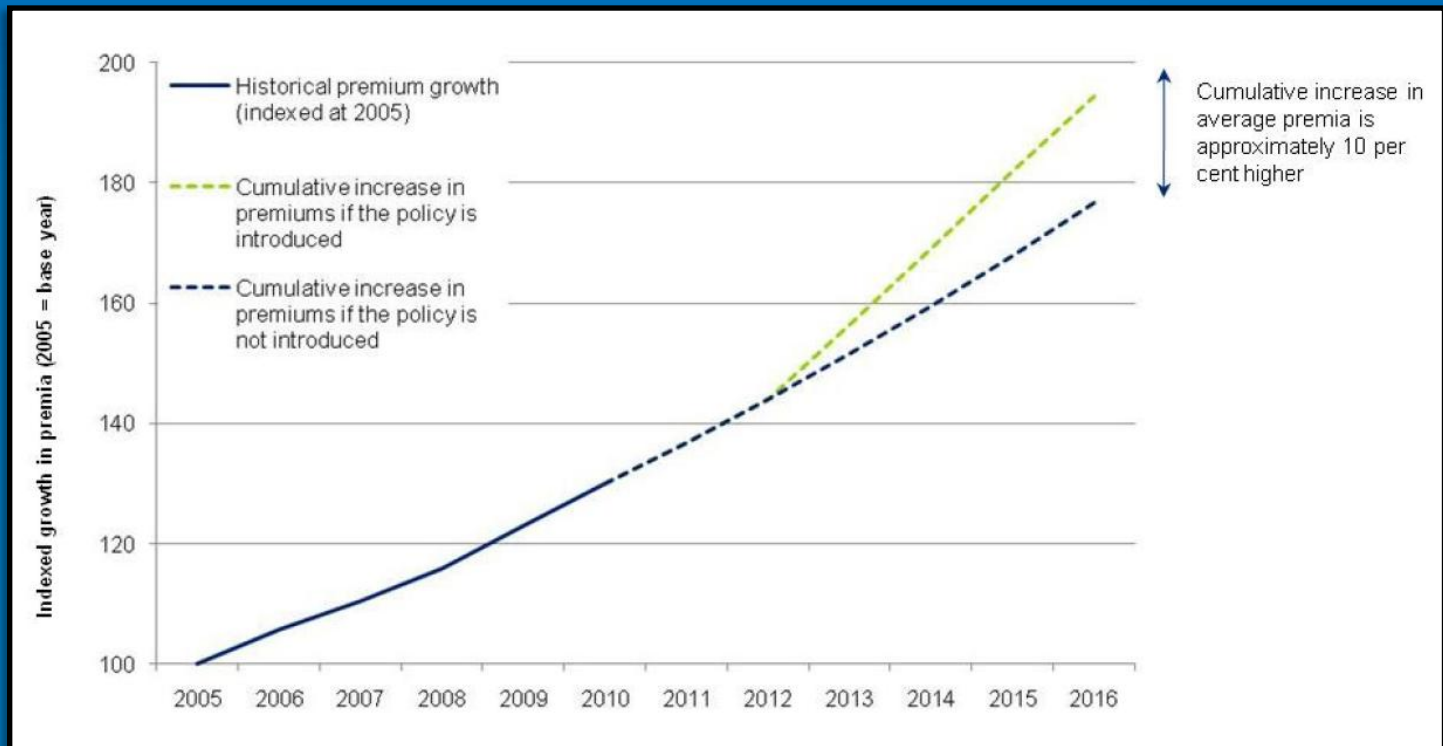
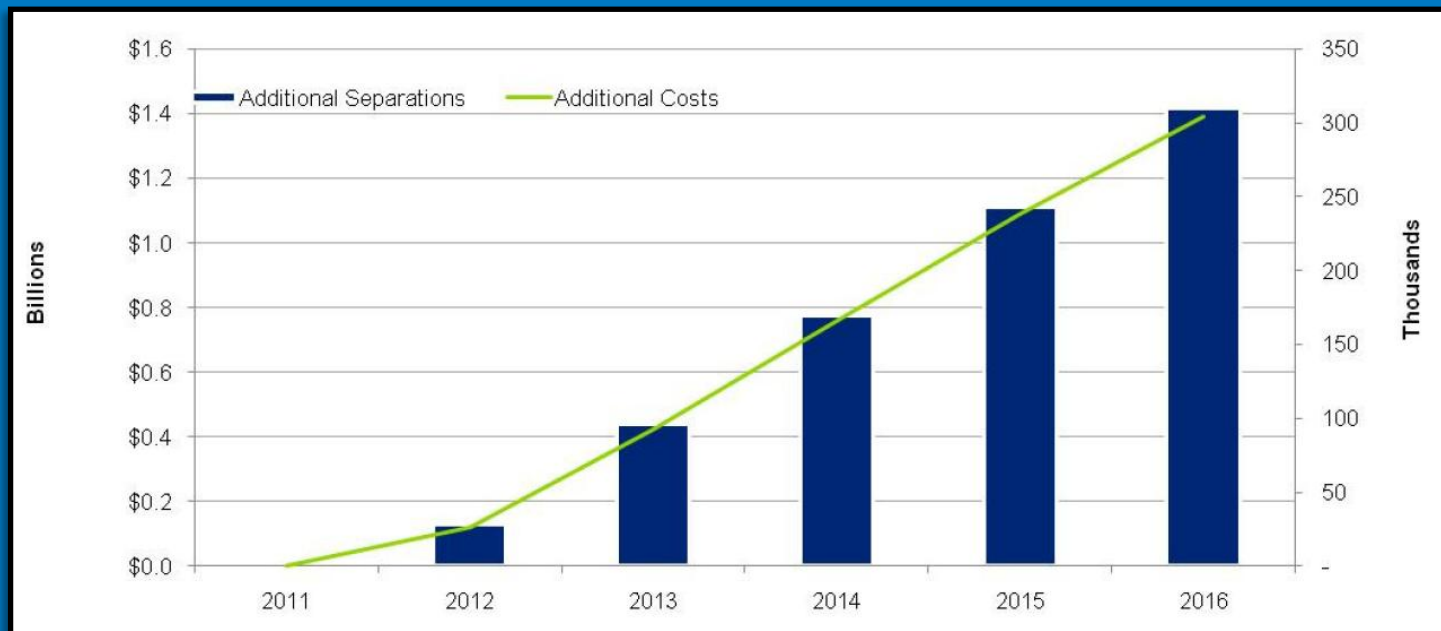


The Projected Growth in Private Health Insurance Premiums Owing to the Means Testing of the Rebate



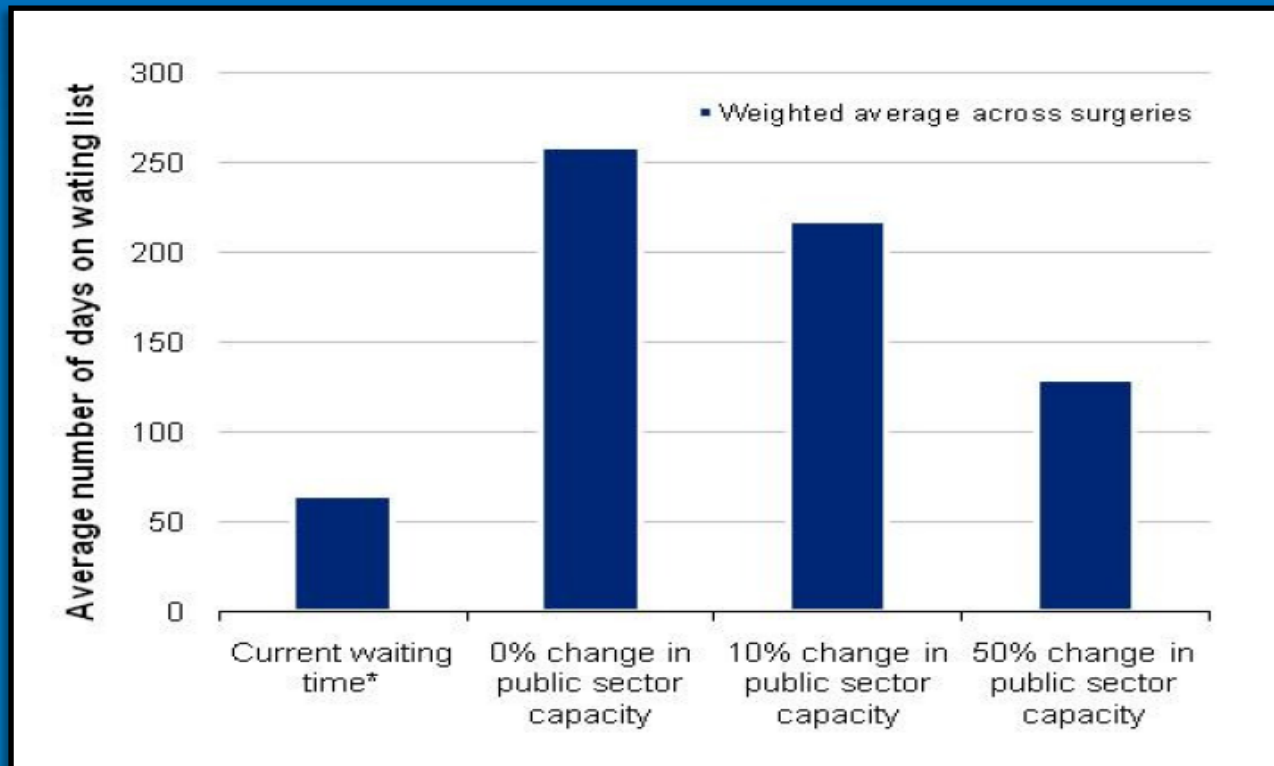
Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'

Additional Separations and Costs Expected in the Public Hospital Sector following Introduction of the Means Test (operational costs only)



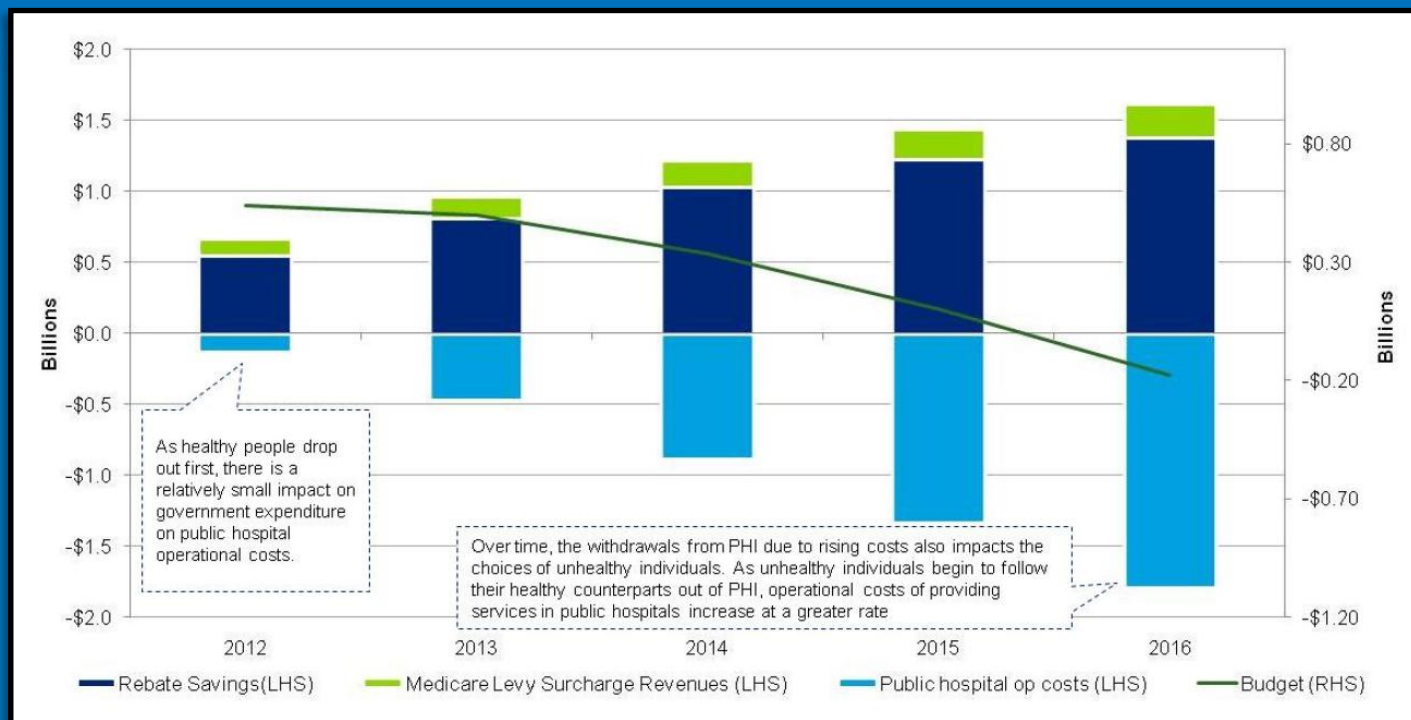
Source: Deloitte analysis of ANOP/Newspoll 2011 Survey results

Potential Impact to Public Sector Elective Surgery Waiting List Times



Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'

Government Budget Changes Following the Proposed Policy Change



Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'



Potential Change in Average Elective Surgery Waiting Times

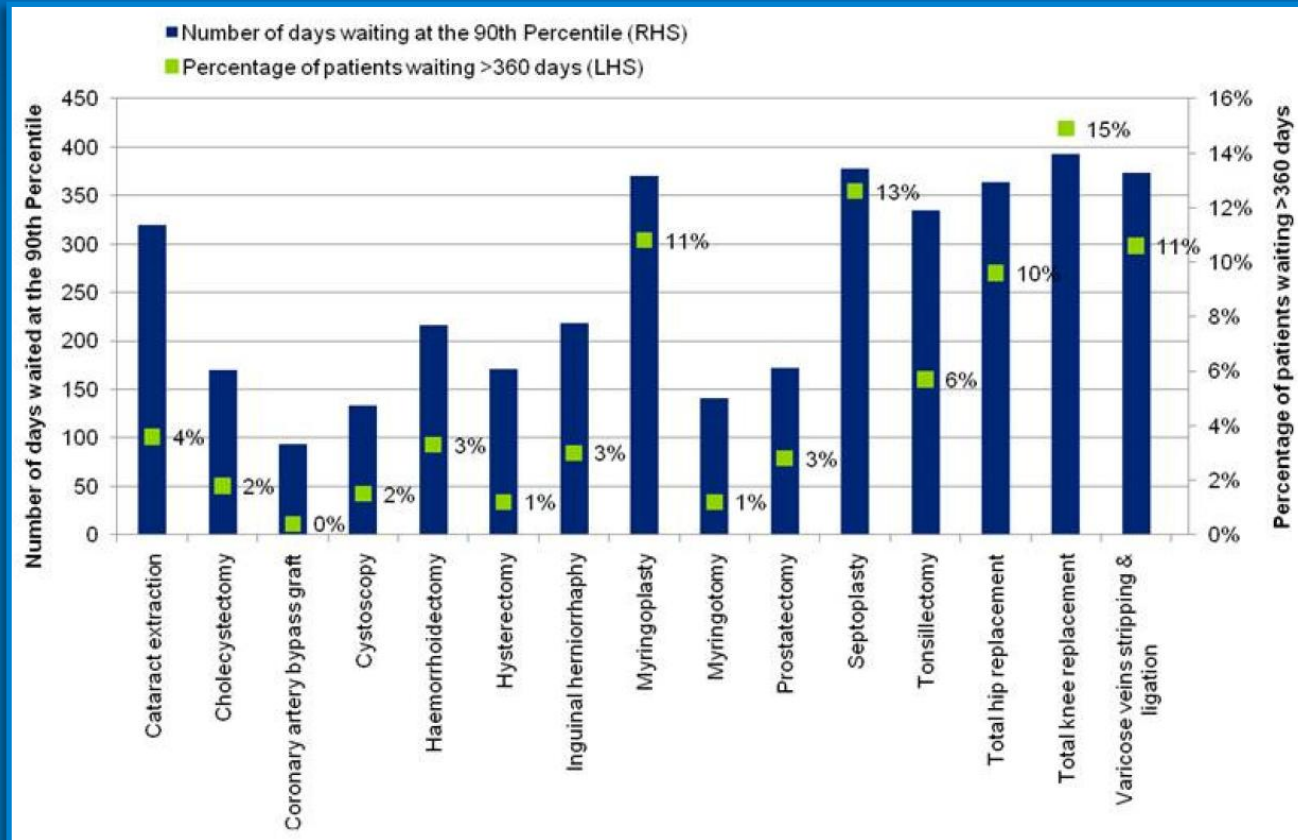
| Elective Surgery Procedure | Current median number of days waiting* | Increase in the average number of days waiting above base case expectations, given changes in public sector operating capacity | | | | |
|---|--|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | | 0% change in public sector capacity | 10% change in public sector capacity | 20% change in public sector capacity | 30% change in public sector capacity | 50% change in public sector capacity |
| Cataract extraction | 84 days | 232 days | 201 days | 178 days | 160 days | 134 days |
| Cholecystectomy | 47 days | 144 days | 123 days | 107 days | 95 days | 77 days |
| Coronary artery bypass graft | 14 days | 339 days | 280 days | 235 days | 200 days | 150 days |
| Cystoscopy | 25 days | 74 days | 62 days | 54 days | 47 days | 38 days |
| Haemorrhoidectomy | 51 days | 391 days | 326 days | 276 days | 238 days | 183 days |
| Hysterectomy | 48 days | 171 days | 145 days | 125 days | 110 days | 88 days |
| Inguinal herniorrhaphy | 52 days | 165 days | 140 days | 120 days | 105 days | 83 days |
| Myringoplasty | 92 days | 586 days | 489 days | 415 days | 358 days | 277 days |
| Myringotomy | 44 days | 421 days | 348 days | 294 days | 251 days | 190 days |
| Prostatectomy | 41 days | 130 days | 110 days | 94 days | 83 days | 66 days |
| Septoplasty | 128 days | 247 days | 213 days | 187 days | 168 days | 140 days |
| Tonsillectomy | 85 days | 152 days | 131 days | 116 days | 104 days | 87 days |
| Total hip replacement | 100 days | 162 days | 138 days | 119 days | 105 days | 86 days |
| Total knee replacement | 147 days | 199 days | 168 days | 145 days | 127 days | 103 days |
| Varicose veins stripping & ligation | 87 days | 138 days | 121 days | 108 days | 99 days | 85 days |
| Weighted average across surgeries | 65 days | 259 days | 218 days | 188 days | 164 days | 130 days |
| % increase compared with current waiting times | | 400% | 334% | 287% | 250% | 200% |



Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'

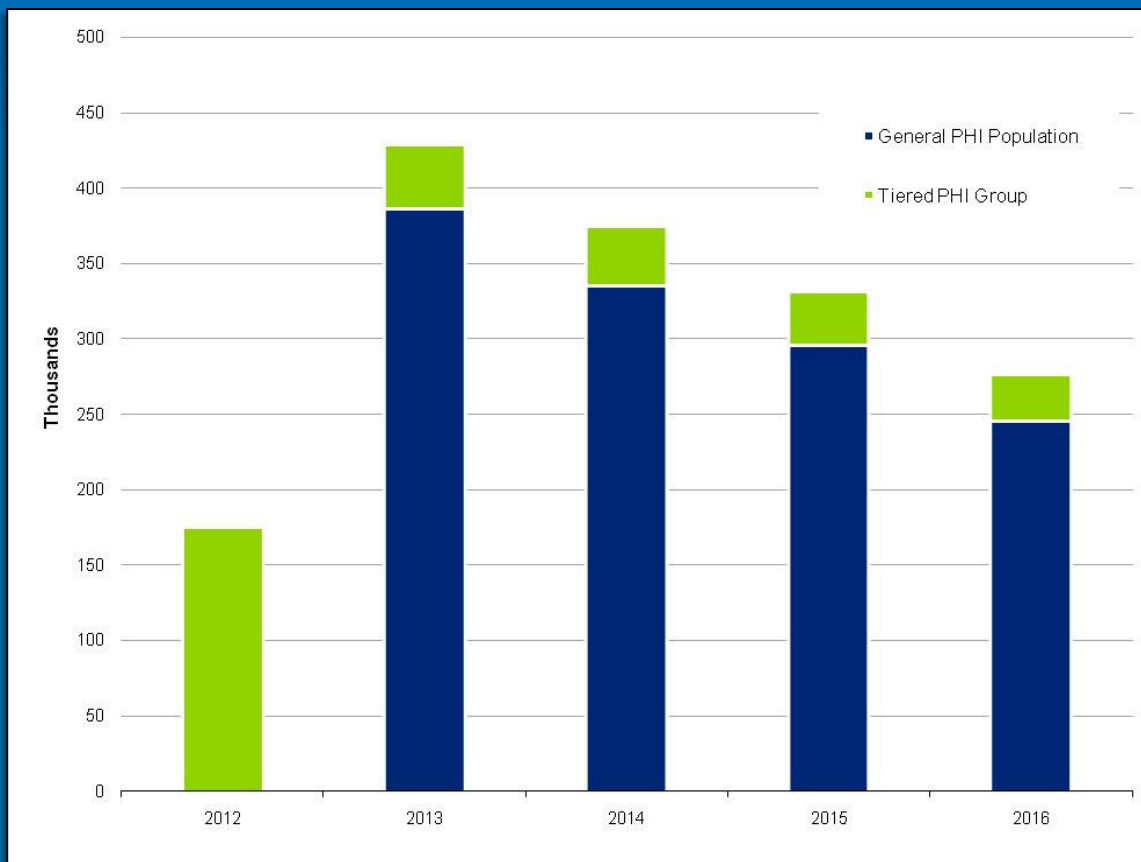
Australian Health Insurance Association

National Waiting Times for Elective Surgery Procedures

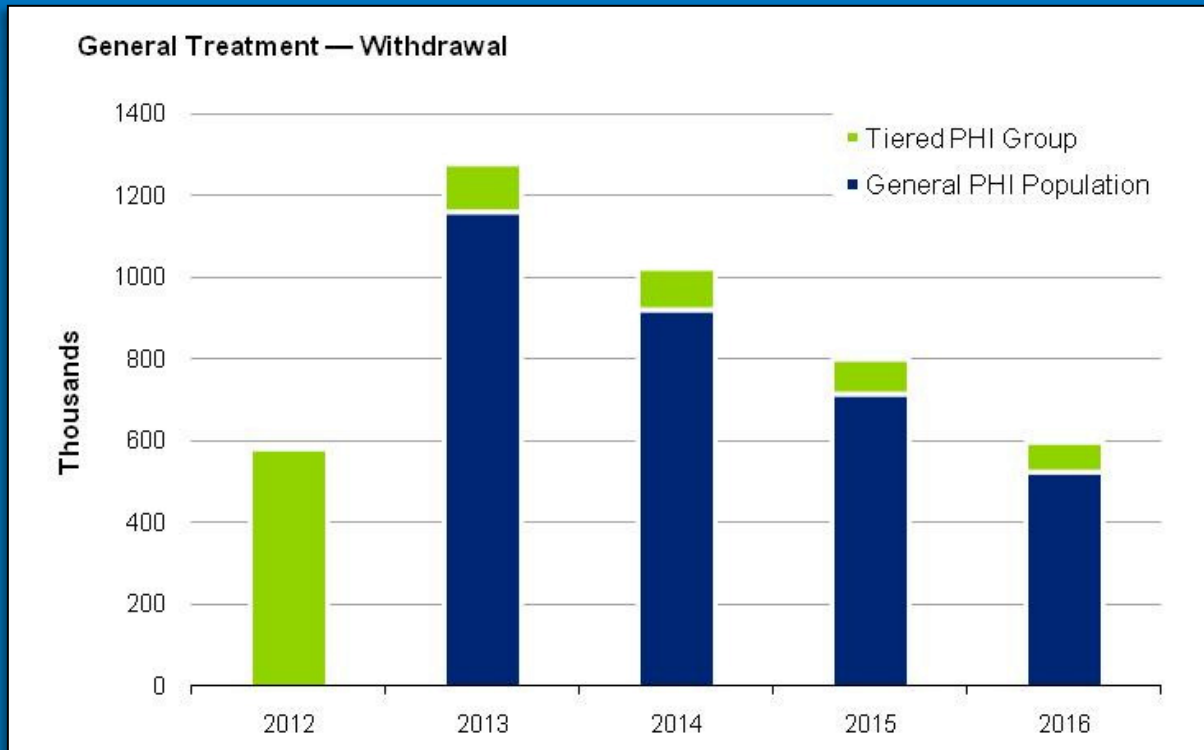


Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'

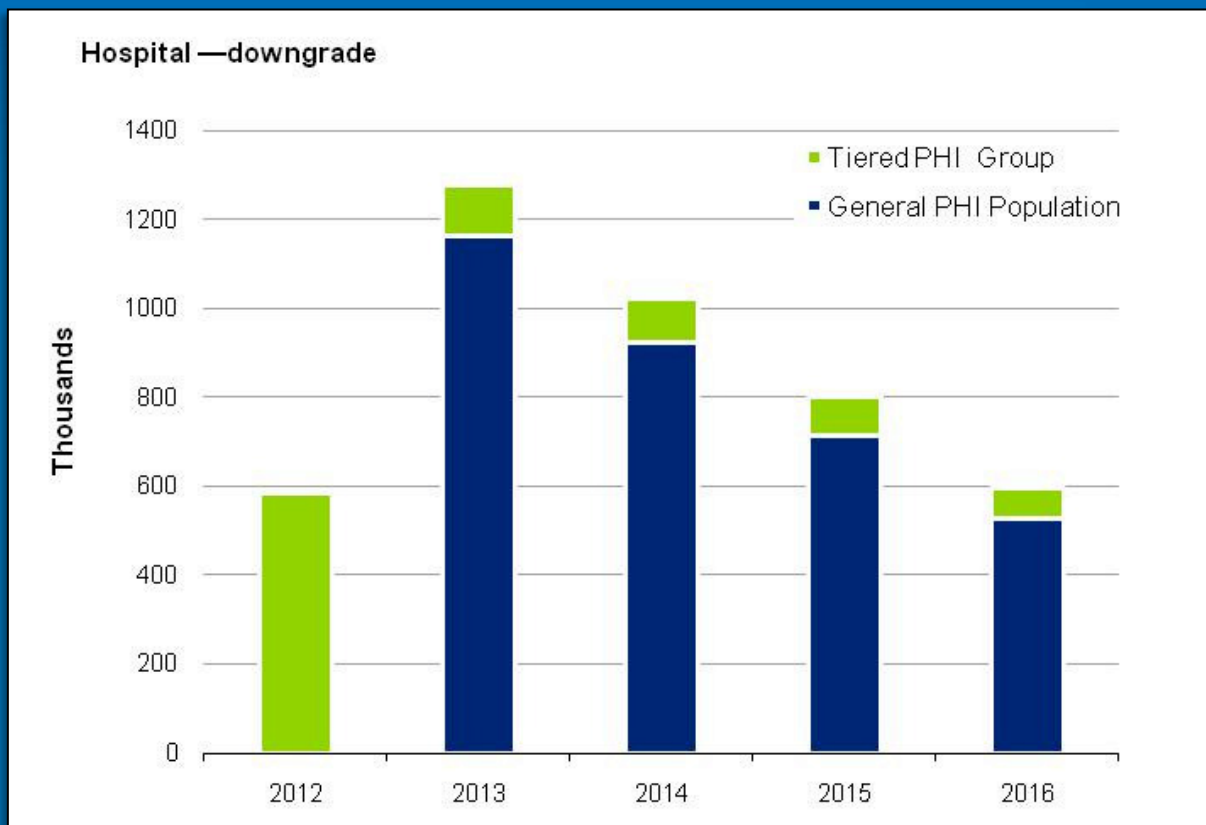
Expected Withdrawals from Private Hospital Cover Following Proposed Policy Change (number of consumers)



Expected Withdrawals from General Treatment Cover Following Proposed Policy Change (number of consumers)

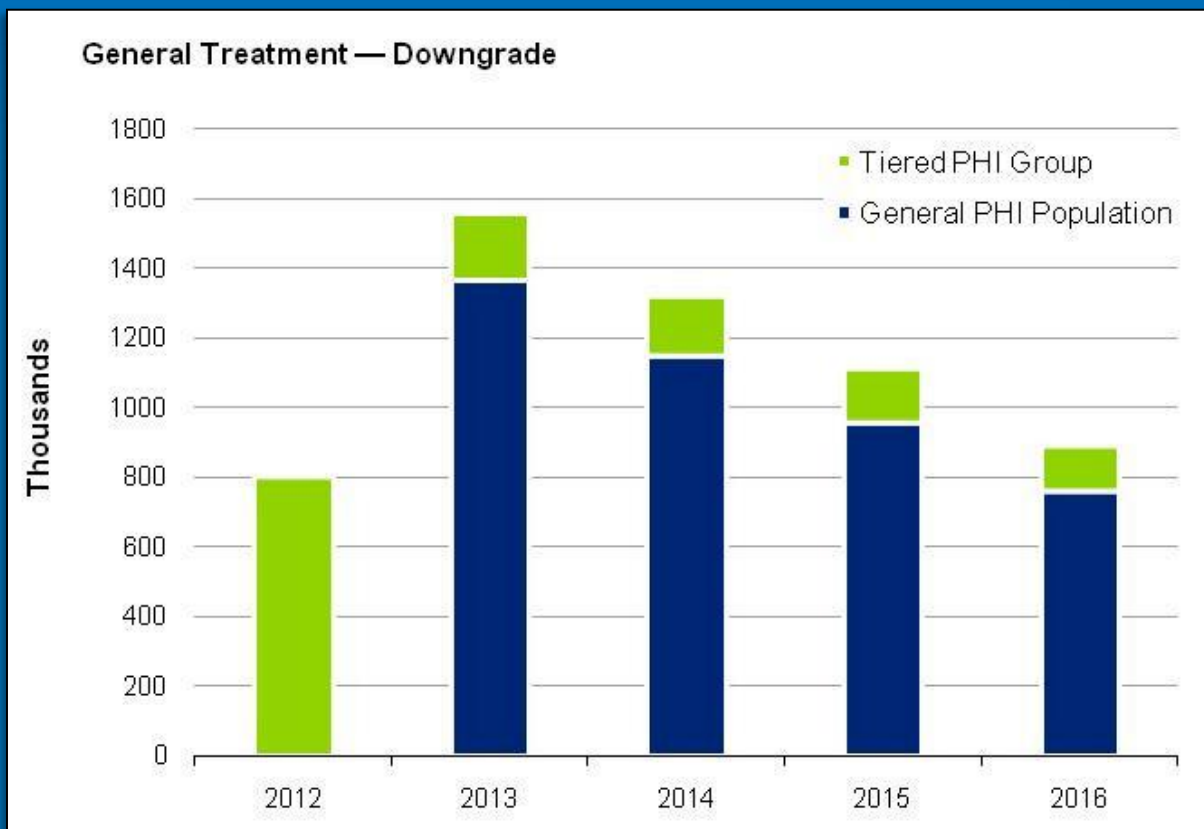


Expected Downgrades from Private Hospital Cover Following Proposed Policy Change (number of consumers)



Deloitte Report (2011), Deloitte analysis of ANOP / Newspoll survey results'

Expected Downgrades from General Treatment Cover Following Proposed Policy Change (number of consumers)



Deloitte Report (2011), Deloitte analysis of ANOP / Newpoll survey results'