



**Private Healthcare Australia**  
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# PHA Annual High Claims Report 2018

*Released October 2018*



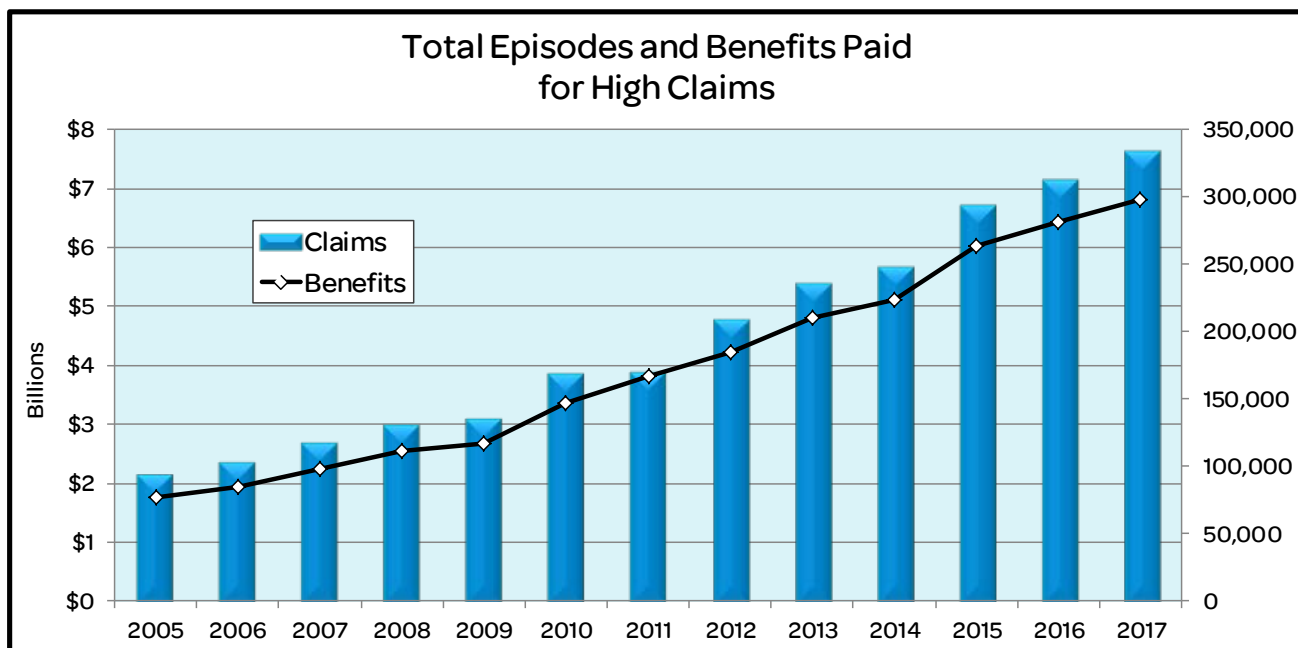
## Summary

Private Healthcare Australia's Annual High Claims 2018 Report analyses the nature and magnitude of high claims met by Health Funds over the past 12 months ending December 2017 and is collated using data from 37 health funds, which in total represent 100% of the private health insurance industry in Australia.

In 2017, the private health insurance sector paid out on behalf of members 332,331 claims where the benefit payment for the episode of care exceeded \$10,000.

This is an increase in the number of high claims on the previous reporting year of 6.6% with benefits paid exceeding \$6.82 billion.

PHI High Claims represented 46% of total benefits paid out on behalf of members for hospital treatment during 2017.



The industry report highlights the value of private health insurance to members who have needed to access services during periods of sudden illness or accident or when an operation is required, and further demonstrates the contribution private health insurance makes to the lives of individuals, as well as Australia's broader healthcare system.

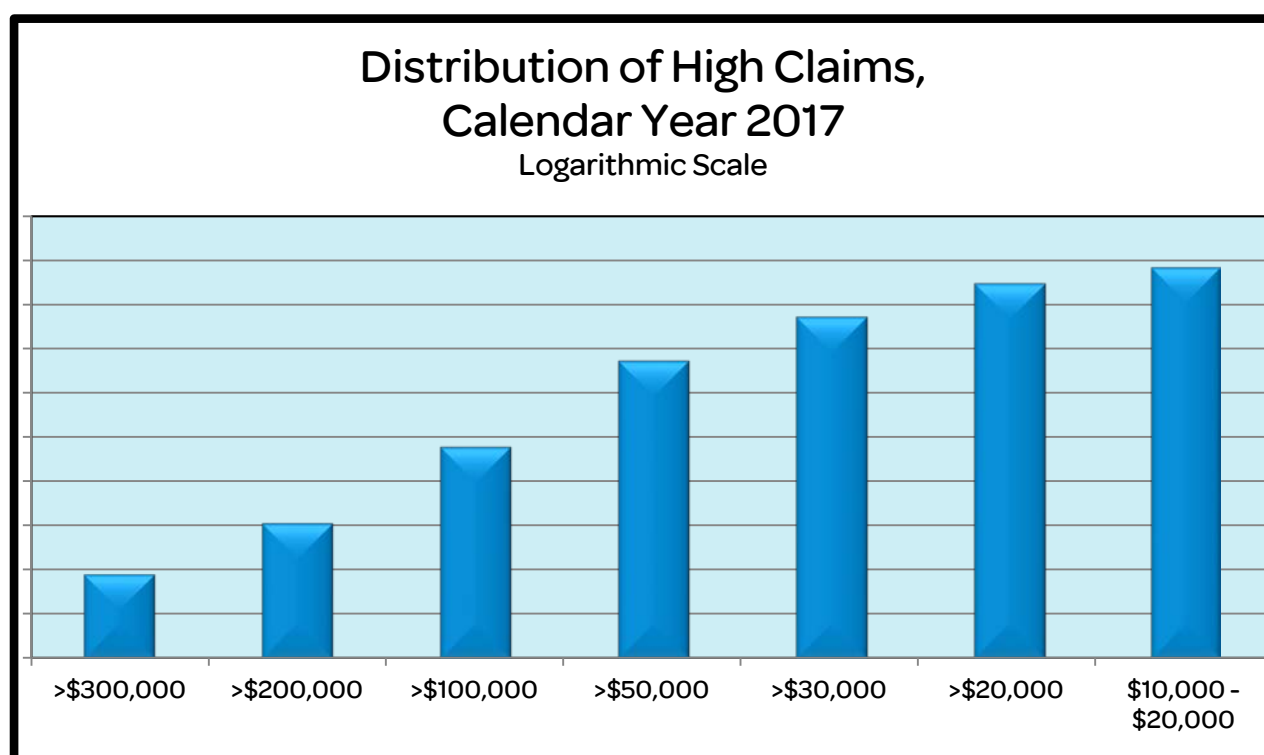


## High Claims

The highest benefit paid was \$699,582 for the treatment of a patient with viral encephalitis. The patient was in hospital for 163 days and had to be in ICU on a ventilator with Tracheostomy.

Of the 332,331 claims:

- 14 cost more than \$300,000
- 69 cost more than \$200,000
- 750 cost more than \$100,000
- 11,130 cost more than \$50,000
- 44,217 cost more than \$30,000
- 125,403 cost more than \$20,000
- 206,928 cost between \$10,000 and \$20,000



Claims for which the benefit payment was over \$10,000 accounted for 7.5% of all hospital episodes in 2017 (+0.3% from 2016). Assuming each of these people were hospitalised once, then for the 332,331 high claims, they represent 2.9% of the total insured population (+0.2% increase from 2016).

The total cost of all high claims for 2017 has increased by 5.9% from the previous year to over \$6.82 billion, which represents 46% of the total cost to industry for hospital treatments in 2017.



## Proportion of High Claims in Selected Groups

- Musculoskeletal System and Connective Tissue diseases (29%)
- Circulatory System diseases (17%)
- Cancers (11%)
- Mental and Behavioural disorders (8%)
- Injury, Poisoning and certain other consequences of external causes (8%)

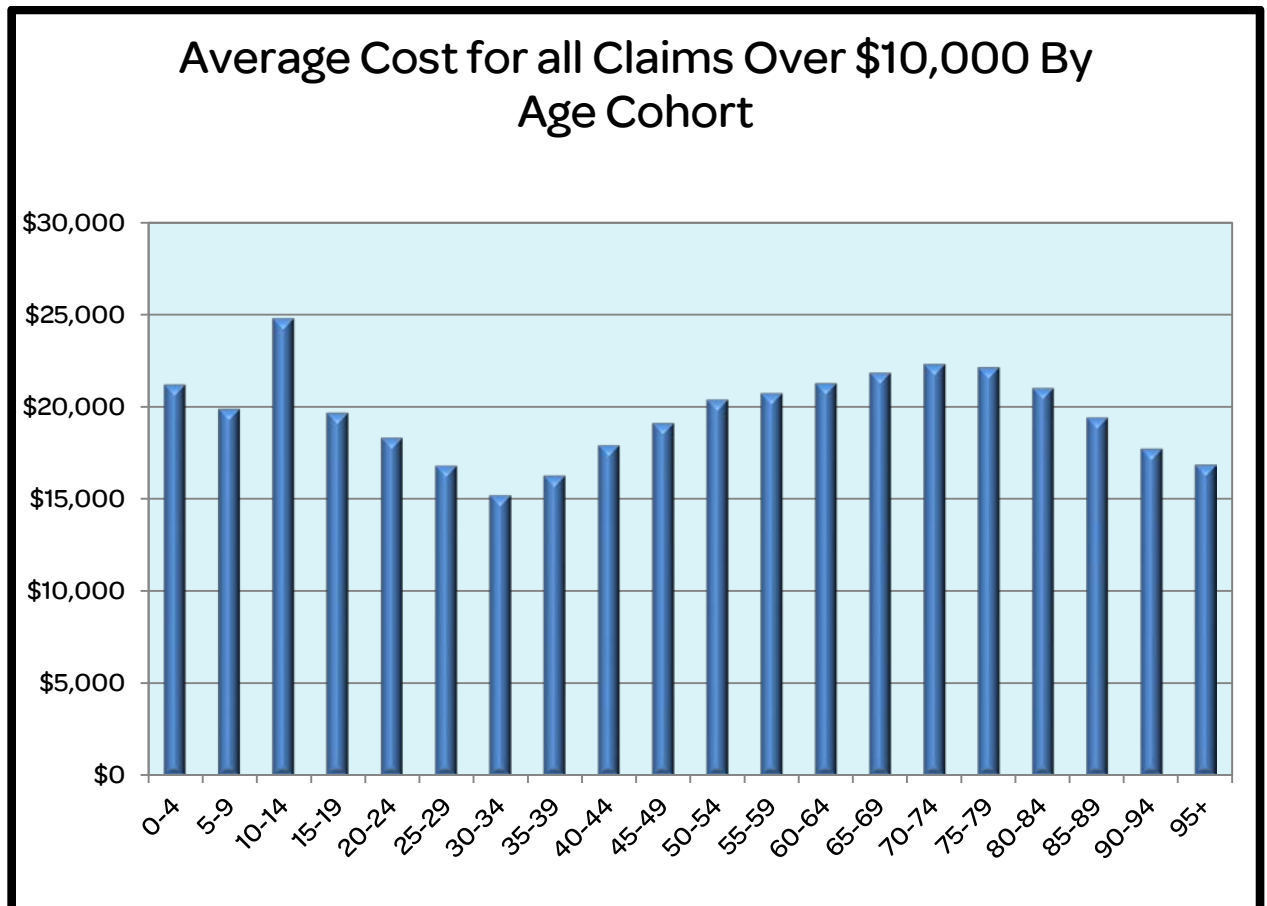
## Highest Claim for Selected Groups

- Cardiovascular diseases - \$575,195 for the treatment of heart valve disease.
- Musculoskeletal System and Connective Tissue diseases - \$401,259 for the treatment of the dysfunction of the spinal cord due to compressed spinal cord.
- Cancers - \$373,270 for the treatment of testicular cancer.
- Mental Health - \$134,547 for the treatment of bipolar disorder.
- Diabetes - \$186,268 for the treatment of type 2 diabetes, with foot ulcer.



## Average Cost per High Claim by Age Group

It can be seen from the below chart that the average cost of high claims for each cohort was approximately similar in 2017. Average cost per age cohort ranged from \$15,186 for those aged 30-34 to \$24,784 for those aged 10-14.



## High Claims for PHI Members Aged Under 30

For PHI members aged under 30, there were 17,146 claims with benefits exceeding \$10,000, an increase on the previous year of 1,000 claims (+6.2%). Of these, 1,949 claims were for neonatal care provided to premature babies with a total cost of \$41.66 million.

Benefits for all high claims over \$10,000 for under 30s cost \$321.8 million in 2017.

Of the 17,146 claims (see Table 8 for description of individual claims), the highest identifiable claim for a PHI Member aged under 30 (excluding neonates) was for \$221,195 for the treatment of gastrointestinal bleeding in a 16 year old male.



Tables attached show the following High Claims:

Table 1: Top 20 Identifiable High Claims for all Private Health Insurance members

Table 2: Top 20 Identifiable High Claims – Cardiovascular Diseases

Table 3: Top 20 Identifiable High Claims – Musculoskeletal System and Connective Tissue diseases

Table 4: Top 20 Identifiable High Claims – Mental Disorders

Table 5: Top 20 Identifiable High Claims – Cancers

Table 6: Top 20 Identifiable High Claims – Diabetes

Table 7: Top 5 Selected High Claims by Age Group

Table 8: Top 30 Identifiable High Claims for Private Health Insurance Members Aged Under 30  
(excluding neonates)





**Table 1: Top 20 Identifiable High Claims for Private Health Insurance**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$699,582	M	70	Viral encephalitis	163	Private
2	\$575,195	F	40	Heart valve disease	146	Private
3	\$513,708	F	60	Gastro-oesophageal reflux disease	234	Private
4	\$401,259	M	54	Spinal cord compression	152	Private
5	\$388,666	M	0	Extreme immaturity of infant, extremely low birth weight	152	Private
6	\$382,991	M	80	Multiple heart valve diseases	120	Private
7	\$376,619	F	0	Preterm infant, extremely low birth weight	147	Private
8	\$373,270	M	35	Testicular cancer	108	Private
9	\$343,088	F	0	Extreme immaturity of infant, low birth weight	102	Private
10	\$341,934	M	68	Coronary artery bypass surgery	109	Private
11	\$315,464	F	68	Prolapsed bladder	96	Private
12	\$307,173	M	79	Hand arthritis and joint infection	94	Private
13	\$297,568	F	76	Multiple heart valve diseases	139	Private
14	\$294,114	F	57	Flu	91	Private
15	\$293,761	F	47	Extracorporeal life support without cardiac surgery	84	Private
16	\$290,776	M	53	Bone infection	218	Private
17	\$288,947	M	81	Abdominal aortic aneurysm	114	Private
18	\$283,439	M	0	Extreme immaturity of infant, low birth weight	86	Private
19	\$281,475	M	69	Biliary acute pancreatitis	213	Private
20	\$277,239	F	71	Multiple heart valve diseases	54	Private



**Table 2: Top 20 Identifiable High Claims for the treatment of Cardiovascular Diseases**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$575,195	F	40	Heart valve disease	146	Private
2	\$382,991	M	80	Multiple heart valve diseases	120	Private
3	\$341,934	M	68	Heart bypass	109	Private
4	\$297,568	F	76	Multiple heart valve diseases	139	Private
5	\$288,947	M	81	Abdominal aortic aneurysm	114	Private
6	\$277,239	F	71	Multiple heart valve diseases	54	Private
7	\$266,609	M	72	Multiple heart valve diseases	121	Private
8	\$260,551	M	72	Thoracic aortic aneurysm	57	Private
9	\$258,327	F	69	Aneurysm and dissection of other specified arteries	109	Private
10	\$252,490	M	63	Complications following heart attack	60	Private
11	\$240,849	M	77	Infection of the heart lining and valves	96	Private
12	\$237,480	M	73	Heart bypass	77	Private
13	\$236,378	M	67	Stroke	97	Private
14	\$216,537	M	78	Aortic stenosis	86	Private
15	\$212,703	F	75	Multiple heart valve diseases	96	Private
16	\$211,486	M	60	Heart bypass	71	Private
17	\$211,174	M	85	Multiple heart valve diseases	54	Private
18	\$210,521	M	71	Aortic stenosis	45	Private
19	\$208,006	F	74	Multiple heart valve diseases	46	Private
20	\$207,960	M	81	Aortic stenosis	168	Private





**Table 3: Top 20 Identifiable High Claims for the treatment of Musculoskeletal System and Connective Tissue diseases**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$401,259	M	54	Dysfunction of the spinal cord due to compressed spinal cord	152	Private
2	\$307,173	M	79	Arthritis of the Hand	94	Private
3	\$290,776	M	53	Rare spinal infection causing severe back pain	218	Private
4	\$247,142	M	70	Compressed nerves in the lower back	118	Private
5	\$238,030	M	61	Abnormal curvature of the spine	110	Private
6	\$222,944	M	69	Nerve irritation caused by damage to the discs between the vertebrae	108	Private
7	\$217,923	M	72	Hip osteoarthritis requiring total hip replacement	39	Private
8	\$187,080	M	59	Systemic connective tissue disorder	45	Private
9	\$186,197	M	66	Spine curvature disorder	29	Private
10	\$181,957	F	58	Spine curvature disorder	18	Private
11	\$177,842	F	66	Spine curvature disorder	35	Private
12	\$175,376	M	64	Spine curvature disorder	23	Private
13	\$175,302	M	81	Pinched nerve in lower back of spine	50	Private
14	\$173,451	M	69	Spinal disc infection and inflammation in neck of spine	57	Private
15	\$167,591	M	82	Hip osteoarthritis requiring total hip replacement	93	Private
16	\$164,598	M	71	Breakdown of one or more of the discs that separate the bones of the spine	44	Private
17	\$160,100	F	75	Spine curvature disorder	97	Private
18	\$156,948	M	87	Acute cartilage destruction of the femoral head	221	Private
19	\$156,030	F	82	Spine curvature disorder	39	Private
20	\$154,899	F	60	Spine curvature disorder	28	Private



**Table 4: Top 20 Identifiable High Claims for the treatment of Mental Health**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$134,547	F	64	Bipolar disorder	290	Private
2	\$133,381	M	18	Generalised anxiety disorder	191	Public
3	\$133,040	M	43	Recurrent depressive disorder	116	Private
4	\$131,945	F	61	Generalised anxiety disorder	184	Public
5	\$125,416	F	26	Recurrent depressive disorder	273	Private
6	\$121,725	M	61	Severe depressive episode	253	Private
7	\$120,500	F	68	Recurrent depressive disorder	186	Public
8	\$113,798	M	27	Post-traumatic stress disorder	91	Private
9	\$105,135	F	39	Severe depressive episode	161	Private
10	\$104,912	F	18	Recurrent depressive disorder	178	Private
11	\$102,935	F	54	Recurrent depressive disorder	195	Private
12	\$102,559	F	54	Bipolar disorder	245	Private
13	\$100,705	M	61	Recurrent depressive disorder	90	Private
14	\$96,509	F	28	Emotionally unstable personality disorder	137	Public
15	\$95,010	M	79	Delirium	64	Private
16	\$94,978	F	45	Bipolar disorder	227	Private
17	\$92,455	F	78	Severe depressive episode	128	Public
18	\$88,694	F	69	Recurrent depressive disorder	75	Private
19	\$88,493	M	62	Disturbance of activity and attention	136	Private
20	\$88,447	F	34	Severe depressive episode	120	Public



**Table 5: Top 20 Identifiable High Claims for the treatment of Cancers**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$373,270	M	35	Testicular cancer	108	Private
2	\$293,761	F	47	Neoplasm of uncertain behaviour of connective and other soft tissue	84	Private
3	\$256,652	M	72	Overlapping lesion of other and ill-defined sites	225	Private
4	\$252,586	M	72	Stomach cancer	87	Private
5	\$243,436	M	66	Bowel cancer	197	Private
6	\$194,520	M	66	Stomach cancer	67	Private
7	\$193,651	F	70	Malignant neoplasm of cerebral meninges	163	Private
8	\$193,620	M	81	Bowel cancer	65	Private
9	\$179,469	M	47	Lymphoma	182	Private
10	\$179,145	M	68	Non-melanoma skin cancers	54	Private
11	\$171,290	F	58	Leukaemia	201	Private
12	\$169,859	F	67	Secondary malignant neoplasm of large intestine and rectum	116	Private
13	\$166,661	M	53	Secondary malignant neoplasm of skin	55	Private
14	\$166,096	M	76	Pancreas cancer	51	Private
15	\$163,224	F	74	Neoplasm of uncertain behaviour of brain	87	Private
16	\$162,725	M	94	Bladder cancer	37	Private
17	\$160,604	M	69	Stomach cancer	161	Private
18	\$160,067	F	69	Mouth and oropharynx cancers	88	Private
19	\$156,066	F	43	Brain cancer	58	Private
20	\$151,436	M	68	Gallbladder cancer	48	Private



**Table 6: Top 20 Identifiable High Claims for the treatment of Diabetes**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$186,268	M	64	Removal of soft tissue involving bone or cartilage, type 2 diabetes with foot ulcer	166	Private
2	\$180,216	M	54	Type 2 diabetes with foot ulcer	248	Public
3	\$144,190	M	52	Amputation of toe, type 2 diabetes without gangrene	150	Private
4	\$118,497	M	65	Type 2 diabetes with foot ulcer	130	Private
5	\$113,275	M	77	Removal of skin and subcutaneous tissue, type 2 diabetes with foot ulcer	51	Private
6	\$111,841	M	76	Type 1 diabetes with foot ulcer	94	Private
7	\$111,041	M	66	Amputation above knee, type 2 diabetes with gangrene	105	Private
8	\$109,229	M	73	Amputation of toe, type 2 diabetes with foot ulcer	84	Private
9	\$104,959	M	40	Amputation of toe, type 2 diabetes with foot ulcer	112	Private
10	\$100,922	F	66	Amputation of toe, type 2 diabetes with foot ulcer	46	Private
11	\$100,478	M	66	Type 2 diabetes with foot ulcer	33	Private
12	\$98,747	F	66	Amputation of toe, type 2 diabetes with gangrene	125	Private
13	\$98,109	M	74	Removal of soft tissue, type 2 diabetes with foot ulcer	87	Private
14	\$90,886	M	71	Type 2 diabetes with gangrene	51	Private
15	\$87,976	F	79	Amputation of toe, type 2 diabetes without gangrene	63	Private
16	\$86,879	M	74	Amputation below knee, type 2 diabetes with gangrene	52	Private
17	\$86,097	M	74	Type 2 diabetes with gangrene	80	Private
18	\$82,354	M	69	Type 2 diabetes with foot ulcer	90	Private
19	\$82,125	F	72	Type 2 diabetes without gangrene	104	Private
20	\$82,065	M	64	Cleaning of skin and subcutaneous tissue, type 2 diabetes with foot ulcer	108	Private



**Table 7: Top 5 Identifiable High Claims by 5 Year Age Cohort**

Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
0-4	\$388,666	M	Extreme immaturity of infant, extremely low birth weight	152	Private
	\$376,619	F	Preterm infant, extremely low birth weight	147	Private
	\$343,088	F	Extreme immaturity of infant, low birth weight	102	Private
	\$283,439	M	Extreme immaturity of infant, low birth weight	86	Private
	\$275,334	M	Extreme immaturity of infant, extremely low birth weight	96	Private
5-9	\$148,772	F	Dilated cardiomyopathy	53	Public
	\$121,530	M	Brain tumour	167	Public
	\$67,606	F	Irregular heartbeat requiring insertion of cardiac defibrillator generator	20	Public
	\$63,290	F	Spine curvature disorder	12	Public
	\$58,308	F	Physiotherapy and rehabilitation post-surgery	3	Private
10-14	\$120,236	M	Spine curvature disorder	23	Private
	\$104,043	F	Spine curvature disorder	15	Private
	\$95,531	M	Brain tumour	105	Public
	\$93,830	F	Spine curvature disorder	14	Private
	\$90,333	F	Spine curvature disorder	17	Private
15-19	\$221,195	M	Gastrointestinal bleeding	617	Public
	\$133,381	M	Generalised anxiety disorder	191	Public





Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
15-19	\$123,464	M	Brain tumour	38	Private
	\$109,025	F	Spine curvature disorder	21	Private
	\$104,912	F	Recurrent depressive disorder	178	Private
20-24	\$150,820	M	Congenital heart disease	22	Private
	\$148,167	F	Rectal prolapse	34	Private
	\$108,414	F	Spine curvature disorder	11	Private
	\$104,727	F	Spine curvature disorder	24	Private
	\$102,649	F	Infection and inflammatory reaction due to internal joint prosthesis	45	Private
25-29	\$125,416	F	Recurrent depressive disorder	273	Private
	\$113,798	M	Post-traumatic stress disorder	91	Private
	\$107,185	F	Suicidal thoughts	151	Public
	\$96,509	F	Emotionally unstable personality disorder	137	Public
	\$92,561	F	Brain, infratentorial neoplasm requiring craniotomy	22	Private
30-34	\$205,021	F	Mental disorders and diseases of the nervous system complicating pregnancy	132	Private
	\$181,203	F	Meningioma brain tumour	74	Private
	\$156,741	M	Guillain-Barre syndrome	200	Public
	\$154,617	M	Other post procedural disorders of digestive system, not elsewhere classified	86	Private
	\$134,946	F	Benign cranial nerve tumour	41	Private
35-39	\$373,270	M	Testicular cancer	108	Private
	\$121,776	F	Poisoning from nonsteroidal anti-inflammatory drugs	72	Private





Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
	\$108,946	F	Osteoporosis with pathological fracture requiring internal fixation of spine	24	Private
	\$105,135	F	Severe depressive episode	161	Private
	\$104,038	F	Lumbar spinal stenosis	36	Private
40-44	\$575,195	F	Heart valve disease	146	Private
	\$185,121	M	Excess fluid build-up around the lung	18	Private
	\$169,077	F	Stroke caused by bleeding on the surface of the brain	49	Private
	\$156,066	F	Brain cancer	58	Private
	\$151,591	F	Other specified headache syndromes requiring removal of implanted neurostimulator	156	Private
45-49	\$293,761	F	Neoplasm of uncertain behaviour of connective and other soft tissue	84	Private
	\$215,243	F	Other inflammatory polyneuropathies	590	Public
	\$183,382	M	Pneumonia	40	Private
	\$179,469	M	Non-Hodgkin's lymphoma	182	Private
	\$158,957	F	Incisional hernia without obstruction or gangrene	43	Private
50-54	\$401,259	M	Other spondylosis with myelopathy Cervical region	152	Private
	\$290,776	M	Osteomyelitis of vertebra Thoracic region	218	Private
	\$202,122	M	Chronic constrictive pericarditis	49	Private
	\$186,365	M	Thoracic aortic aneurysm	41	Private
	\$180,216	M	Type 2 diabetes with foot ulcer	248	Public
55-59	\$294,114	F	Flu	91	Private
	\$224,286	F	Mechanical complication of gastrointestinal prosthetic devices, implants and grafts	114	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
	\$190,324	F	Alcoholic liver disease	95	Private
	\$187,080	M	Inflamed and damaged blood vessels in the lungs	45	Private
	\$181,957	F	Spine curvature disorder	18	Private
60-64	\$513,708	F	Gastro-oesophageal reflux disease with oesophagitis	234	Private
	\$252,490	M	Rupture of papillary muscle as current complication following heart attack	60	Private
	\$245,830	F	Laparoscopic gastric bypass	91	Private
	\$238,030	M	Spine curvature disorder	110	Private
	\$211,486	M	Heart bypass	71	Private
65-69	\$341,934	M	Heart bypass	109	Private
	\$315,464	F	Prolapsed bladder	96	Private
	\$281,475	M	Biliary acute pancreatitis	213	Private
	\$258,327	F	Aneurysm and dissection of other specified arteries	109	Private
	\$243,436	M	Bowel cancer	197	Private
70-74	\$699,582	M	Viral encephalitis	163	Private
	\$277,239	F	Multiple heart valve diseases	54	Private
	\$267,454	M	Sepsis	61	Private
	\$266,609	M	Multiple heart valve diseases	121	Private
	\$260,551	M	Thoracic aortic aneurysm	57	Private
75-79	\$307,173	M	Hand arthritis and joint infection	94	Private
	\$297,568	F	Multiple heart valve diseases	139	Private
	\$240,849	M	Infection of the heart lining and valves	96	Private
	\$216,537	M	Aortic stenosis	86	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
	\$213,901	F	Sepsis	52	Private
80-84	\$382,991	M	Multiple heart valve diseases	120	Private
	\$288,947	M	Abdominal aortic aneurysm	114	Private
	\$255,679	F	Hypoosmolar hyponatremia	41	Private
	\$250,344	F	Sepsis	71	Private
	\$207,960	M	Aortic stenosis	168	Private
85-89	\$211,174	M	Multiple heart valve diseases	54	Private
	\$194,277	M	Pneumonia	46	Private
	\$189,854	M	Thoracic aortic aneurysm	71	Private
	\$180,025	F	Humerus fracture requiring total shoulder replacement	74	Private
	\$156,948	M	Other specified disorders of cartilage, upper arm	221	Private
90-94	\$162,725	M	Bladder cancer	37	Private
	\$142,207	M	Thoracic aortic aneurysm	32	Private
	\$106,227	F	Vascular disorder of intestine	21	Private
	\$99,782	M	Urinary tract infection	120	Private
	\$96,406	M	Mechanical complication of internal knee prosthesis	54	Private
95+	\$71,198	M	Unspecified problem related to medical facilities and other health care	608	Public
	\$61,954	F	Person awaiting admission to residential aged care service	516	Public



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/Private/Day Surgery)
95+	\$61,629	F	Abdominal hernia with gangrene	18	Private
	\$60,092	F	Alzheimer's disease	96	Public
	\$58,829	M	Cerebral bleed	77	Private

**Table 8: Top 30 Identifiable High Claims for Private Health Insurance Members Aged Under 30 (excluding neonates)**

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private/Day Surgery)
1	\$221,195	M	16	Gastrointestinal bleeding	617	Public
2	\$150,820	M	21	Abnormal blood vessels connecting arteries and veins in the brain	22	Private
3	\$148,772	F	8	Dilated cardiomyopathy	53	Public
4	\$148,167	F	24	Rectal prolapse	34	Private
5	\$133,381	M	18	Generalised anxiety disorder	191	Public
6	\$125,416	F	26	Recurrent depressive disorder	273	Private
7	\$123,464	M	19	Brain tumour	38	Private
8	\$121,530	M	7	Brain tumour	167	Public
9	\$120,236	M	14	Spine curvature disorder	23	Private
10	\$113,798	M	27	Post-traumatic stress disorder	91	Private
11	\$109,025	F	16	Spine curvature disorder	21	Private
12	\$108,414	F	24	Spine curvature disorder	11	Private



Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
13	\$107,185	F	27	Suicidal thoughts	151	Public
14	\$104,912	F	18	Recurrent depressive disorder	178	Private
15	\$104,727	F	20	Spine curvature disorder	24	Private
16	\$104,043	F	14	Spine curvature disorder	15	Private
17	\$102,649	F	22	Infection and inflammatory reaction due to internal hip prosthesis	45	Private
18	\$99,999	F	0	Cystic fibrosis	130	Public
19	\$98,790	F	20	Dystonia	11	Private
20	\$97,270	F	19	Spine curvature disorder	18	Private
21	\$97,042	M	17	Spine curvature disorder	17	Private
22	\$96,972	F	1	Floppy baby syndrome	150	Public
23	\$96,509	F	28	Emotionally unstable personality disorder	137	Public
24	\$96,356	F	19	Spine curvature disorder	16	Private
25	\$95,531	M	14	Brain tumour	105	Public
26	\$95,121	M	23	Dyskinetic cerebral palsy	8	Private
27	\$93,830	F	13	Spine curvature disorder	14	Private
28	\$92,561	F	29	Brain, infratentorial neoplasm requiring craniotomy	22	Private
29	\$91,292	M	17	Spine curvature disorder	10	Private
30	\$90,710	M	28	Spine curvature disorder	7	Private