



## Press Release

30 March 2015

### High Claims top \$5 billion in 2014

Private Healthcare Australia's Annual Survey of High Claims in 2014 found that private health funds paid 247,515 claims where the benefit payment for the episode of care was more than \$10,000.

This is an increase in the number of high claims on the previous reporting year of 5.4% with benefits paid exceeding \$5.1 billion. This represents 39.7% of benefits paid out on behalf of members for hospital treatment during 2014.

PHA's Annual High Claims Survey analyses the nature and magnitude of high claims met by health funds over the past 12 months and is collated using survey data from 31 Australian health funds which in total represent 99% of the private health insurance industry.

Chief Executive Dr Michael Armitage said the survey 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.

The highest benefit paid was \$565,346 for treatment of a prematurely born infant.

Of the 247,515 claims:

- 15 cost more than \$300,000
- 47 cost more than \$200,000
- 549 cost more than \$100,000
- 8,080 cost more than \$50,000
- 14,646 cost more than \$30,000
- 32,304 cost more than \$20,000
- 152,458 cost between \$10,000 and \$20,000

Highest Claim for Selected Groups

- Cardiovascular disease - \$372,529 for the treatment of mitral stenosis
- Mental Health - \$56,706 for the treatment of recurrent depression
- Cancer – \$368,484 for the treatment of cancer of the gallbladder
- Diabetes - \$173,226 for the treatment of type 2 diabetes mellitus with ketoacidosis

The Annual High Claims Survey is attached.



**Private Healthcare Australia**  
Better Cover. Better Access. Better Care.



# 10th Annual High Claims Survey

1 January to 31 December 2014

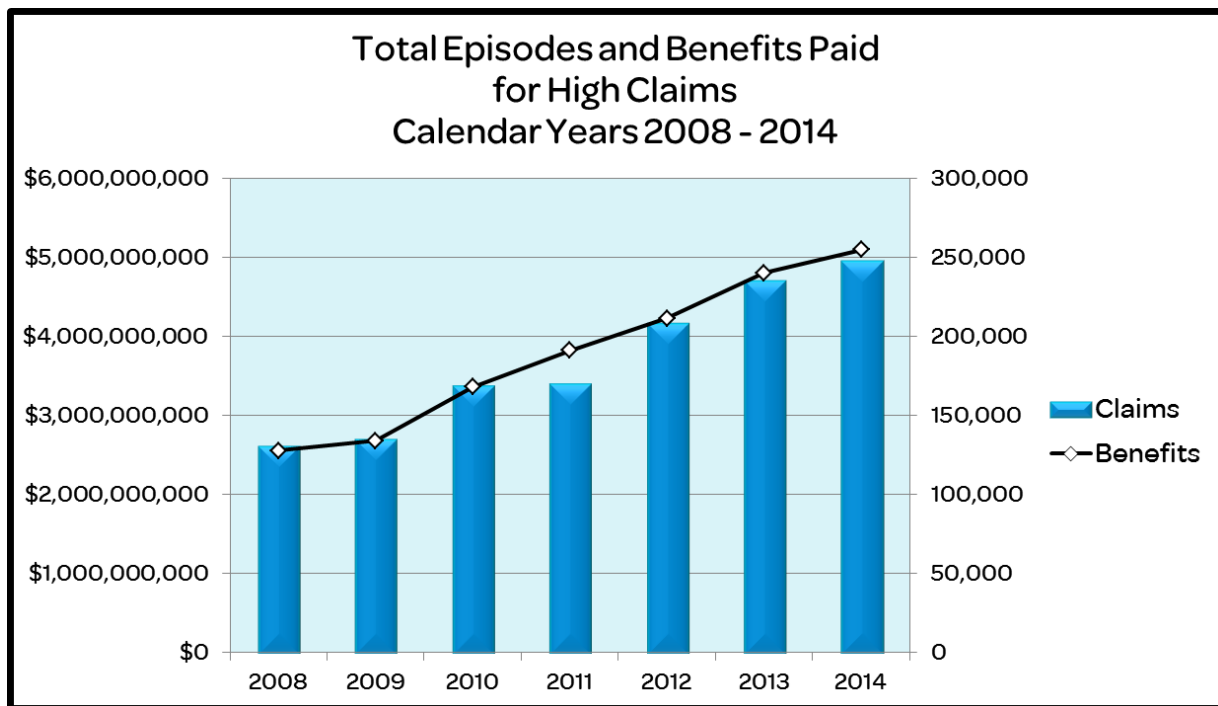
Released April 2015



## Summary

The Private Healthcare Australia Annual High Claims Survey Report analyses the nature and magnitude of high claims met by Health Funds over the past 12 months and is collated using survey data from 31 Australian health funds which in total represent 99% of the private health insurance industry.

The participating funds paid out on behalf of members 247,515 claims where the benefit payment for the episode of care was more than \$10,000. This is an increase in the number of high claims on the previous reporting year of 5.4% with benefits paid exceeding \$5.1 billion. This represents 39.7% of benefits paid out on behalf of members for hospital treatment during 2014.



The survey 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.

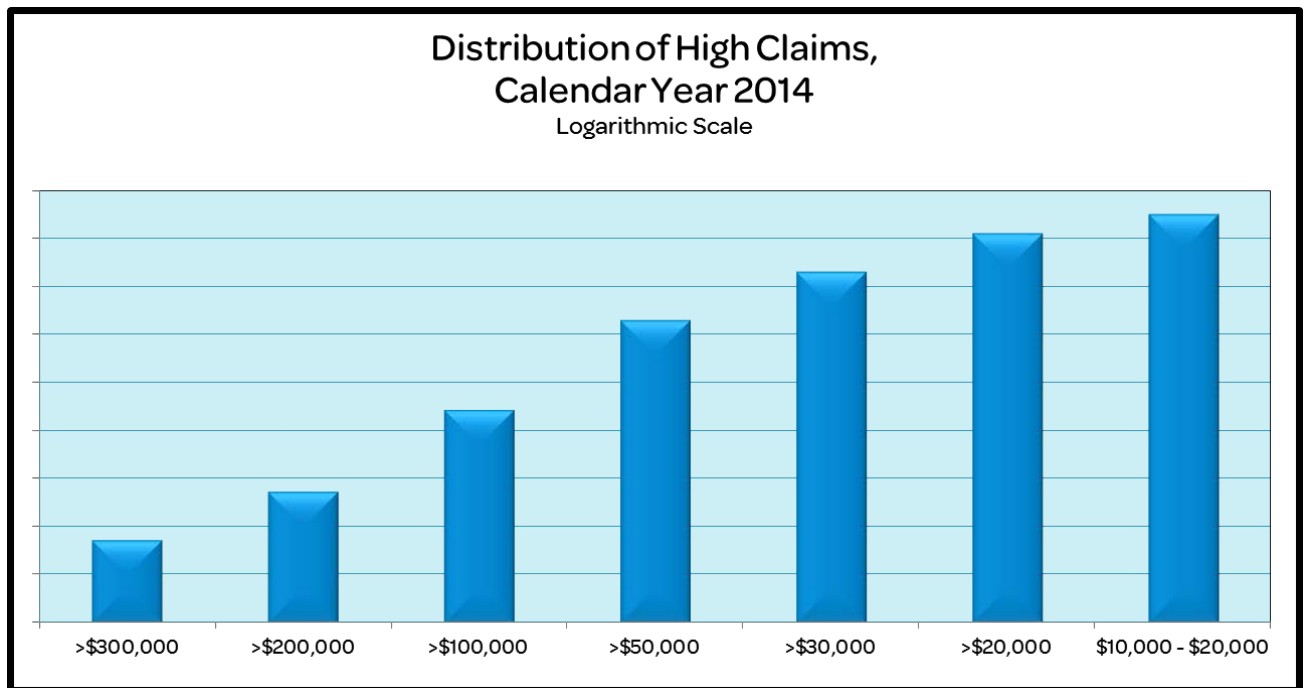


## High Claims

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- 14,646 cost more than \$30,000
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Claims for which the benefit payment was over \$10,000 account for 6.2% of all Hospital episodes in FY 2014 (+0.1% from 2013). Assuming each of these people were hospitalised once, then for the 247,515 high claims they represent 2.2% of the total insured population (+0.1% from 2013).

The total cost of all high claims for CY 2014 has increased by 6.1% from the previous year to around \$5.1 billion which represents 39.7% of the total cost to industry for hospital treatment during CY 2014.

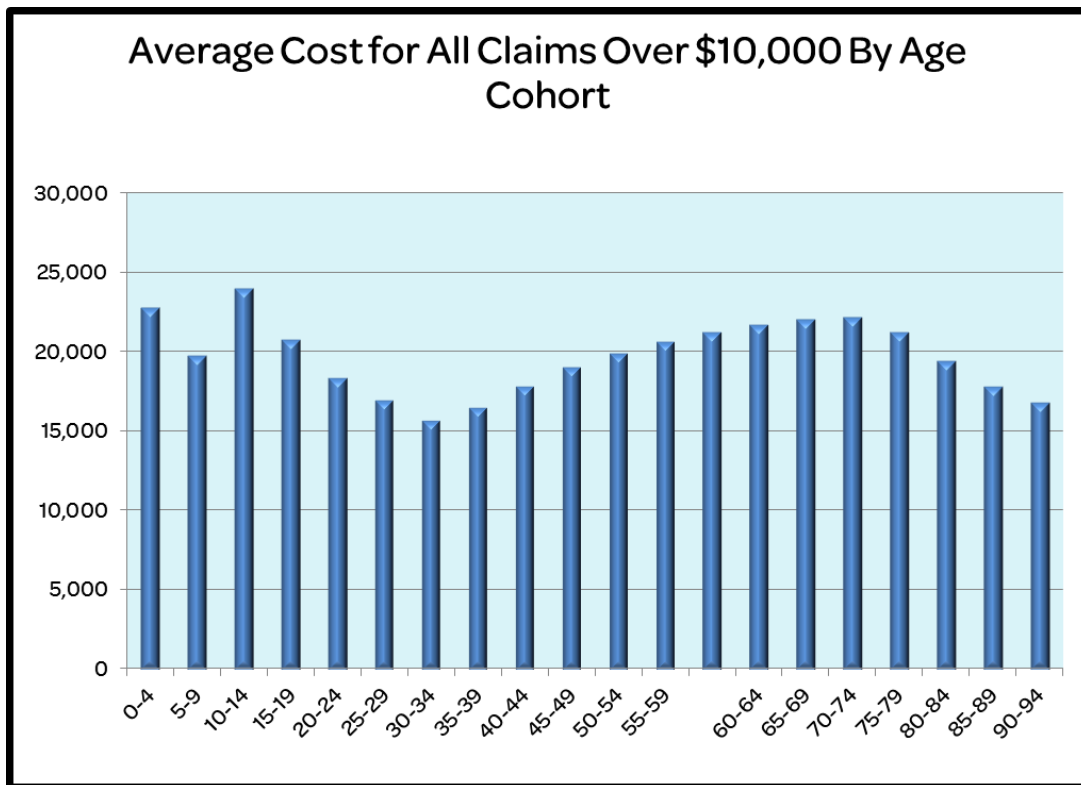


## Highest Claim for Selected Groups

- Cardiovascular disease - \$372,529 for the treatment of mitral stenosis
- Mental Health - \$56,706 for the treatment of recurrent depression
- Cancer – \$368,484 for the treatment of cancer of the gallbladder
- Diabetes - \$173,226 for the treatment of type 2 diabetes mellitus with ketoacidosis

## 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 the calendar year 2013. Average cost per age cohort ranged from \$15,680 for those aged 30-34 to \$24,001 for those aged 10-14.





## High Claims for PHI Members Aged Under 30

For PHI members aged under 30, there were 14,453 claims with benefits exceeding \$10,000, an increase on the previous year of 1,317 claims (+10%). Of these, 1,458 claims were for neonatal care provided to premature babies with a total cost of \$31.7 million.

Benefits for all high claims over \$10,000 for under 30s cost \$271 million for CY 2014.

Of the 14,453 claims (see Table 7 for description of individual claims) the highest claim was for \$565,346 for treatment of a prematurely born infant. When excluding neonates, the highest claim was for \$272,747 for the treatment of compression of the brainstem in a 26 year old female.

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 Disease

Table 3: Top 20 Identifiable High Claims – Mental Disorders

Table 4: Top 20 Identifiable High Claims – Cancer

Table 5: Top 20 Identifiable High Claims – Diabetes

Table 6: Top 5 Selected High Claims by Age Group

Table 7: Top 30 Selected High Claims for members aged less than 30, Excluding Premature Births



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

Rank	Total Benefits Paid	Gender	Age	Description	Number of Bed Days	Hospital Type (Public/Private/FDS)
1	\$565,346	F	0	Prematurity of infant	198	Public
2	\$523,127	F	34	Biliary pancreatitis	185	Private
3	\$399,400	M	82	Benign tumour of pituitary gland	181	Private
4	\$380,653	F	73	Bipolar disorder	133	Private
5	\$374,521	M	86	Gallstone of bile duct	681	Public
6	\$372,529	M	75	Mitral stenosis	68	Private
7	\$369,172	F	77	Biliary pancreatitis	148	Private
8	\$368,484	F	71	Cancer of gallbladder	226	Private
9	\$362,036	M	67	Intestinal ulcer	110	Private
10	\$338,925	F	0	Prematurity of infant	155	Private
11	\$331,924	M	62	Motor neuron disease	95	Private
12	\$329,994	M	76	Postprocedural respiratory disorder	98	Private
13	\$325,490	M	78	Acute pancreatitis	109	Private
14	\$308,376	F	59	Colorectal surgery	98	Private
15	\$306,105	M	0	Extreme prematurity of infant	76	Private
16	\$299,854	F	45	Disorder of heart valve/s	102	Private
17	\$296,559	M	70	Benign neoplasm of brain	89	Private
18	\$294,094	M	56	Infection due to cardiac prosthesis	82	Private
19	\$281,237	F	0	Prematurity of infant	131	Private
20	\$275,685	M	66	Injury to oesophagus	116	Private



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

Rank	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
1	\$372,529	M	Mitral stenosis	148	Private
2	\$299,854	F	Mitral (valve) prolapse	89	Private
3	\$183,970	M	Acute transmural myocardial infarction	59	Private
4	\$132,034	F	Disorders of both mitral and tricuspid valves	40	Private
5	\$129,909	F	Thoracoabdominal aortic aneurysm	21	Private
6	\$115,783	M	Abdominal aortic aneurysm	59	Private
7	\$113,846	F	Atherosclerotic heart disease	36	Private
8	\$104,147	F	Disorders of both mitral and tricuspid valves	26	Private
9	\$104,022	M	Atherosclerotic heart disease	24	Private
10	\$86,693	F	Disorders of both mitral and tricuspid valves	21	Private
11	\$84,557	M	Cardiomyopathy, unspecified	1	Private
12	\$84,347	M	Atrioventricular block, first degree	4	Private
13	\$84,081	M	Endocardial fibroelastosis	2	Private
14	\$83,582	M	Other forms of angina pectoris	1250	Private
15	\$83,582	M	Atherosclerotic heart disease	7	Private
16	\$81,884	M	Other and unspecified atrioventricular block	2	Private
17	\$81,873	M	Cardiac arrhythmia, unspecified	3	Private
18	\$81,804	M	Atrioventricular block, second degree	3	Private
19	\$81,101	M	Heart failure, unspecified	1	Private
20	\$80,704	M	Other and unspecified atrioventricular block	1	Private





**Table 3: Top 20 Identifiable High Claims for the treatment of Mental Health**

Rank	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
1	\$56,707	F	Recurrent depressive disorder, unspecified	116	Private
2	\$56,665	F	Bipolar affective disorder, current episode mixed	71	Private
3	\$56,648	M	Severe depressive episode	74	Day Facility
4	\$55,969	F	Severe depressive episode	85	Public
5	\$55,934	F	Post traumatic stress disorder	87	Public
6	\$55,926	M	Combined vocal and multiple motor tic disorder [de la Tourette]	5	Private
7	\$55,924	F	Paranoid schizophrenia	134	Private
8	\$55,923	F	Severe depressive episode	78	Private
9	\$55,666	F	Bipolar affective disorder	126	Private
10	\$55,600	F	Bipolar affective disorder	68	Private
11	\$55,519	F	Anorexia nervosa	67	Private
12	\$55,421	F	Recurrent depressive disorder	40	Private
13	\$55,237	M	Severe depressive episode	41	Private
14	\$55,224	F	Dissociative [conversion] disorder	179	Private
15	\$55,124	F	Dissociative [conversion] disorder	72	Private
16	\$55,024	M	Schizophrenia, unspecified	121	Private
17	\$54,887	F	Anorexia nervosa	88	Public
18	\$54,866	F	Post traumatic stress disorder	91	Private
19	\$54,835	F	Recurrent depressive disorder	140	Private
20	\$54,708	M	Bipolar affective disorder	69	Private



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

Rank	TOTAL Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
1	\$368,484	F	Malignant neoplasm of gallbladder	110	Private
2	\$253,440	M	Malignant neoplasm of pyloric antrum	97	Private
3	\$233,277	M	Malignant neoplasm of descending colon	70	Private
4	\$210,951	F	Malignant neoplasm of head of pancreas	75	Private
5	\$194,757	M	Malignant neoplasm of hepatic flexure	63	Private
6	\$170,929	F	Malignant neoplasm of caecum	228	Private
7	\$163,021	M	Malignant neoplasm of cardia	56	Private
8	\$156,415	M	Plasma cell leukaemia wo remission	43	Private
9	\$155,353	F	Diffuse large B-cell lymphoma	140	Private
10	\$148,852	M	Secondary malignant neoplasm of lymph nodes of head, face and neck	39	Private
11	\$145,282	M	Malignant neoplasm of cardia	78	Private
12	\$142,714	F	Malignant neoplasm of descending colon	81	Private
13	\$141,803	M	Malignant neoplasm of upper lobe, bronchus or lung	84	Private
14	\$141,096	M	Malignant neoplasm of ascending colon	75	Private
15	\$139,797	M	Malignant neoplasm of bladder	108	Private
16	\$138,740	M	Overlapping malignant lesion of oesophagus	32	Private
17	\$137,545	F	Malignant neoplasm of head of pancreas	48	Private



18	\$137,524	M	Malignant neoplasm of cardia	63	Private
19	\$137,270	M	Secondary malignant neoplasm of liver and intrahepatic bile duct	51	Private
20	\$136,842	M	Malignant neoplasm of transverse colon	88	Private



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

Rank	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/Private/FDS)
1	\$173,226	M	Type 2 DM with ketoacidosis	53	Private
2	\$106,817	M	Type 2 diabetes mellitus with hypoglycaemia	32	Private
3	\$89,477	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	74	Private
4	\$81,161	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	42	Private
5	\$77,148	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	55	Private
6	\$76,584	F	Type 2 diabetes mellitus with foot ulcer due to multiple causes	83	Private
7	\$70,997	M	Type 2 diabetes with peripheral angiopathy - gangrene	81	Private
8	\$69,371	M	Type 2 diabetes mellitus with established diabetic nephropathy	6	Public
9	\$67,906	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	61	Private
10	\$62,101	M	Type 1 diabetes mellitus with foot ulcer due to multiple causes	77	Private
11	\$61,281	F	Type 2 diabetes mellitus with peripheral angiopathy, with gangrene	31	Private
12	\$59,765	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	80	Private
13	\$58,926	F	Type 2 diabetes with peripheral angiopathy without gangrene	40	Private
14	\$58,278	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	71	Private



15	\$57,933	M	Type 2 diabetes mellitus with other specified complication	82	Private
16	\$57,573	M	Type 2 diabetes with peripheral angiopathy without gangrene	28	Private
17	\$57,395	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	48	Private
18	\$57,361	M	Type 2 diabetes mellitus with foot ulcer due to multiple causes	68	Private
19	\$57,035	M	Type 2 diabetes mellitus with established diabetic nephropathy	2	Private
20	\$55,343	F	Type 1 diabetes mellitus with poor control	11	Private



**Table 6: Top 5 Identifiable High Claims by 5 Year Age Cohort**

Age Cohort	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/Private/FDS)
0-4	\$565,346	F	Prematurity of infant	185	Private
	\$338,925	F	Prematurity of infant	95	Private
	\$306,105	M	Prematurity of infant	102	Private
	\$281,237	F	Prematurity of infant	126	Private
	\$249,266	M	Prematurity of infant	76	Private
5-9	\$112,746	M	Acute lymphoblastic leukaemia	163	Public
	\$85,316	F	Follow up care for prosthetic device	32	Private
	\$65,012	M	Double inlet ventricle, unspecified	40	Private
	\$61,308	F	Juvenile idiopathic scoliosis, thoracolumbar region	6	Public
	\$58,372	M	Cochlear implant	1	Private
10-14	\$96,811	M	Thoracolumbar scoliosis	12	Private
	\$81,759	M	Stereotyped movement disorders	145	Public
	\$80,272	F	Juvenile idiopathic scoliosis, thoracolumbar region	15	Private
	\$76,317	F	Congenital scoliosis	55	Public
	\$75,483	M	Juvenile idiopathic scoliosis, thoracolumbar region	8	Private
15-19	\$118,613	M	Obsessive compulsive disorder	181	Public
	\$102,676	M	Congenital malformation of spine	25	Private
	\$100,024	F	Tumour or vascular lesion of foramen magnum	62	Private
	\$99,193	M	Congenital scoliosis, postural	22	Private
	\$85,179	F	Juvenile idiopathic scoliosis, thoracolumbar region	16	Private



Age Cohort	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
20-24	\$145,280	F	Wound infection following a procedure	48	Private
	\$111,555	F	Thoracolumbar scoliosis	38	Private
	\$90,419	F	Postprocedural disorder of digestive system	134	Private
	\$83,334	M	Intracranial arteriovenous malformation	26	Private
	\$76,787	F	Other idiopathic scoliosis, thoracic region	15	Private
25-29	\$272,747	F	Compression of brain	161	Private
	\$144,131	F	Other obesity	93	Private
	\$111,042	F	Post traumatic stress disorder	173	Public
	\$105,459	M	Secondary malignant neoplasm of lung	29	Private
	\$83,426	M	Bipolar affective disorder	244	Public
30-34	\$148,019	F	Care involving use of rehabilitation procedure	434	Public
	\$147,480	F	Acute peritonitis	87	Private
	\$129,450	F	Other specified disorders of brain	30	Private
	\$119,968	M	Unstable angina	23	Private
	\$97,568	F	Malignant neoplasm of temporal lobe of brain	56	Private
35-39	\$523,127	F	Biliary acute pancreatitis	181	Private
	\$190,852	F	Acidosis	130	Private
	\$167,047	F	Influenza due to certain identified influenza virus	59	Private
	\$113,604	F	Other acute osteomyelitis, pelvic region and thigh	136	Private
	\$111,821	F	Recurrent depressive disorder	44	Private



Age Cohort	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
40-44	\$180,879	F	Other obesity	75	Private
	\$173,769	F	Subarachnoid haemorrhage, unspecified	185	Public
	\$162,988	F	Wound infection following a procedure	117	Private
	\$149,487	F	Hypergammaglobulinaemia, unspecified	176	Private
	\$126,010	F	Idiopathic thrombocytopenic purpura	46	Private
45-49	\$299,854	F	Mitral (valve) prolapse	89	Private
	\$221,283	F	Management of artificial leg	53	Private
	\$202,609	M	Aortic (valve) insufficiency		
	\$179,296	F	Other obesity	86	Private
	\$160,161	F	Cerebral cysts	56	Private
50-54	\$187,709	M	False aneurysm	62	Private
	\$186,842	M	Mechanical complication of prosthetic devices	64	Private
	\$155,450	M	Bone graft to spine	59	Private
	\$132,739	M	Incisional hernia without obstruction or gangrene	67	Private
	\$131,166	M	Secondary colon cancer	126	Private
55-59	\$294,094	M	Infection associated with cardiac device	131	Private
	\$234,381	F	Other subarachnoid haemorrhage	54	Private
	\$233,277	M	Malignant neoplasm of descending colon	70	Private
	\$231,042	F	Chronic kidney disease, stage 5	334	Private
	\$200,943	F	Other obesity	128	Private





Age Cohort	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/ Private/ FDS)
60-64	\$331,924	M	Motor neuron disease	98	Private
	\$308,376	F	Abdominal surgery	76	Private
	\$244,664	M	Influenza due to identified avian influenza virus	65	Private
	\$232,147	F	Spasm of sphincter of Oddi	63	Private
	\$231,143	M	Bipolar affective disorder, unspecified	91	Private
65-69	\$362,036	M	Duodenal ulcer - chronic or unspecified with perforation	155	Private
	\$275,685	M	Injury to oesophagus	116	Private
	\$253,440	M	Malignant neoplasm of pyloric antrum	97	Private
	\$231,293	M	Benign neoplasm of duodenum	126	Private
	\$228,784	M	Selective coronary angiography	88	Private
70-74	\$380,653	F	Severe depressive episode	681	Public
	\$368,484	F	Malignant neoplasm of gallbladder	110	Private
	\$296,559	M	Cerebral meninges	82	Private
	\$227,585	M	Abdominal aortic aneurysm	127	Private
	\$200,834	M	Dissection of thoracic aorta	60	Private
75-79	\$372,529	M	Mitral stenosis	148	Private
	\$369,172	F	Biliary acute pancreatitis	226	Private
	\$329,994	M	Other postprocedural respiratory disorders	109	Private
	\$325,490	M	Idiopathic acute pancreatitis	98	Private
	\$252,571	F	Periapical abscess without sinus	74	Private



Age Cohort	Total Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/Private/FDS)
80-84	\$399,400	M	Benign neoplasm of pituitary gland	133	Private
	\$223,574	F	Aortic (valve) insufficiency	53	Private
	\$219,346	M	Postprocedural disorder of digestive system	77	Private
	\$210,951	F	Malignant neoplasm of head of pancreas	75	Private
	\$191,740	M	Stridor	265	Public
84-89	\$374,521	M	Gallstones of bile duct	68	Private
	\$212,021	F	Chronic obstructive pulmonary disease	65	Private
	\$207,176	M	Atherosclerotic heart disease	96	Private
	\$164,363	F	Acute subendocardial myocardial infarction	86	Private
	\$161,925	F	Subarachnoid haemorrhage	49	Private
90-94	\$145,920	F	Person awaiting admission to adequate facility elsewhere	1337	Public
	\$120,381	M	Wound infection following a procedure	102	Private
	\$102,548	M	Aortic (valve) stenosis	18	Private
	\$100,574	M	Gastrointestinal haemorrhage, unspecified	84	Private
	\$97,822	F	Other and unspecified intestinal obstruction	66	Private
95+	\$151,465	M	Bradycardia, unspecified	20	Private
	\$99,079	M	Infection associated with prosthesis	85	Private
	\$66,921	F	Person awaiting admission to adequate facility elsewhere	595	Public
	\$62,694	F	Person awaiting admission to adequate facility elsewhere	565	Public
	\$60,837	M	Sick sinus syndrome	65	Private



Table 7: Top 30 Identifiable High Claims for Private Health Insurance Members Aged Under 30

Rank	TOTAL Benefits Paid	Gender	Description	Number of Bed Days	Hospital Type (Public/Private/FDS)
1	\$272,747	F	Compression of brainstem	161	Private
2	\$151,658	M	Infection with penicillin resistant organism	245	Public
3	\$147,675	F	Reversal of bariatric surgery	32	Private
4	\$145,280	F	Postprocedural wound infection	48	Private
5	\$144,131	F	Obesity	93	Private
6	\$129,450	F	Disorder of brain	30	Private
7	\$125,441	M	Hypoplastic left heart syndrome	105	Private
8	\$118,613	M	Obsessive compulsive disorder	181	Public
9	\$112,746	M	Acute lymphoblastic leukaemia	163	Public
10	\$111,555	F	Scoliosis	38	Private
11	\$111,042	F	Post traumatic stress disorder	173	Public
12	\$105,459	M	Secondary lung cancer	29	Private
13	\$103,737	M	Congenital malformation of diaphragm	73	Private
14	\$102,676	M	Congenital malformation of spine	25	Private
15	\$101,119	F	Congenital malformation of heart	32	Private
16	\$100,024	F	Tumour of skull	62	Private
17	\$99,193	M	Congenital scoliosis	22	Private
18	\$97,568	F	Primary brain tumour	56	Private
19	\$96,811	M	Scoliosis	12	Private
20	\$90,419	F	Postprocedural disorder of digestive system	134	Private
21	\$85,316	F	Removal of fracture plate	32	Private



22	\$85,179	F	Scoliosis	16	Private
23	\$83,426	M	Bipolar affective disorder	244	Public
24	\$83,417	M	Congenital malformation of heart	28	Private
25	\$83,334	M	Disorder of brain blood vessels	26	Private
26	\$82,807	M	Scoliosis	15	Private
27	\$81,759	M	Stereotyped movement disorder	145	Public
28	\$81,739	F	Scoliosis	10	Private
29	\$81,602	F	Congenital malformation of heart	25	Private
30	\$80,667	F	Generalised anxiety disorder	32	Private