

# Media Release

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## Record \$8.5 billion paid by Australian health funds for hospital high claims

Health funds paid out a record \$8.5 billion in hospital high claims for members in 2023, an analysis of data by Private Healthcare Australia (PHA) reveals.

PHA's [2024 Annual Hospital High Claims Report](#), released today, analyses the nature and magnitude of hospital high claims paid by health funds across the country each year. Hospital claims fall into the 'high' category if the total insurer benefit for the hospital episode of care exceeds \$10,000.

PHA is the peak body representing Australia's private health insurance industry and the 15 million Australians who have private health cover.

The report is based on anonymised data from member funds but outlines details including gender, age group, number of days in hospital and whether the stay was in a public or private hospital.

It reveals health funds paid 412,489 hospital high claims on behalf of members in 2023. This represents an 8.6% increase (32,498 more) on the previous year.

The highest benefit paid was \$785,625 for treatment of adhesive small bowel obstruction. The patient remained in hospital for 4.5 months and required a tracheostomy with ventilation as part of the treatment received.

More than 1000 people were hospitalised with serious conditions that resulted in payments of more than \$100,000 each. Some of the conditions they were treated for included complications from COVID, tumours, cellulitis, lung disease, infections, diabetes and schizophrenia as well as complications from spinal fusions. Many spent months in hospital.

The figures show one-in-three hospital high claims for health fund members aged under 30 were for mental health treatment, while nearly 70% of fund members aged between 25-29 in this category were female. The average length of stay in hospital for their episode of care was 26 days.

PHA Director of Policy and Research, Ben Harris, said the record payout by private health funds confirmed the critical role of private health insurance.

"Australians recognise the important role private healthcare has regarding hospital treatments, which is reflected in both the record \$8.5 billion paid out to members in 2023 for high-cost claims alone, and the steady growth in the number of people we know are taking out private health insurance," Mr Harris said.

"With health funds currently returning an average of 88 cents to every premium dollar paid, this report highlights the value Australians are getting in relation to hospital treatment, which any one of us could require at any stage of our lives."

The full report is available [here](#).

*Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 22 Australian health funds. 14.8 million Australians (55% of the population) have private health insurance.*

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