



Private Healthcare Australia
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PHA Annual Hospital High Claims Report 2019

Released 3gYgef2019



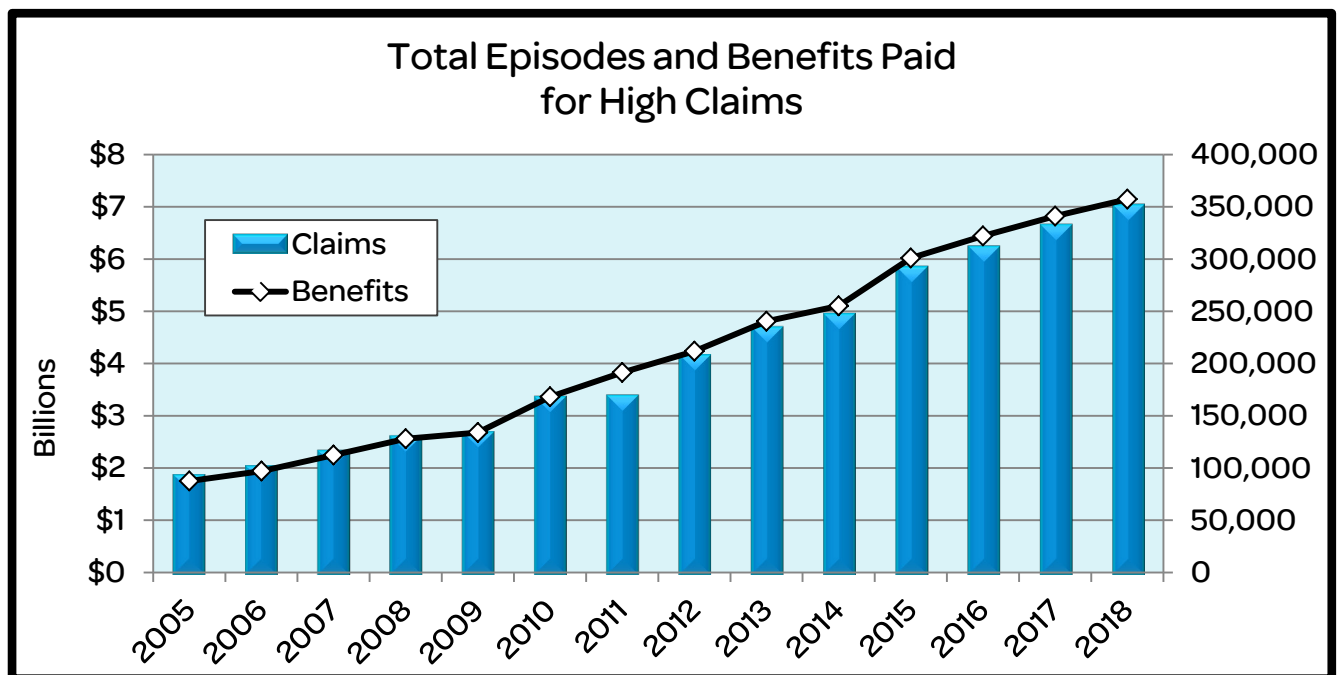
Summary

Private Healthcare Australia's Annual Hospital High Claims 2019 Report analyses the nature and magnitude of hospital treatment high claims met by Health Funds over the past 12 months ending December 2018 and is collated using data from 37 health funds, which in total represent 100% of the private health insurance industry in Australia.

In 2018, the private health insurance sector paid out on behalf of members 351,279 hospital claims where the benefit payment for the episode of care exceeded \$10,000.

This is an increase in the number of hospital high claims on the previous reporting year of 5.7% (an additional 18,948 hospital high claims) with total hospital benefits paid exceeding \$7.14 billion (a 4.8% increase).

Hospital high claims represented 47% of total hospital benefits (+1% increase on the previous year) paid out by health insurers on behalf of members for hospital treatments during 2018.



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.

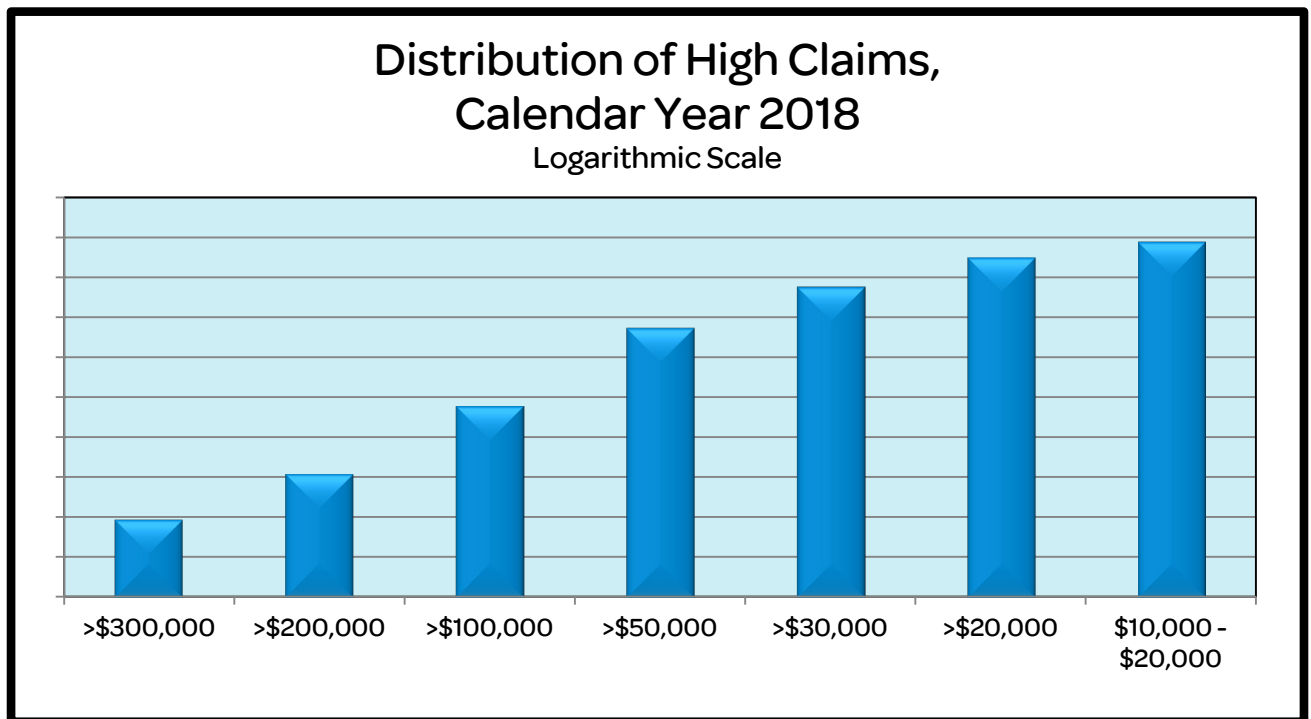


High Claims

The highest benefit paid was \$531,777 for infection and inflammatory reaction due to an internal joint prosthesis. The patient had knee arthrodesis and was in hospital for 360 days.

Of the 351,279 claims:

- 15 cost more than \$300,000
- 73 cost more than \$200,000
- 758 cost more than \$100,000
- 11,251 cost more than \$50,000
- 46,830 cost more than \$30,000
- 128,829 cost more than \$20,000
- 222,450 cost between \$10,000 and \$20,000



Hospital claims for which the benefit payment was over \$10,000 accounted for 7.8% of all hospital episodes in 2018 (+0.3% from 2017). Assuming each of these people were hospitalised once, then for the 351,279 high claims, they represent 3.1% of the total insured population (+0.2% increase from 2017).

The total cost of all hospital high claims for 2018 has increased by 4.8% from the previous year to over \$7.14 billion, which represents 47% of the total cost to industry for hospital treatments in 2018.



Proportion of High Claims in Selected Groups

- Musculoskeletal System and Connective Tissue diseases (28%)
- Circulatory System diseases (19%)
- Cancers (10%)
- Mental and Behavioural disorders (8%)
- Injury, Poisoning and certain other consequences of external causes (8%)
- Endocrine, Nutritional and Metabolic Diseases (5%)
- Digestive System Diseases (4%)
- Pregnancy, Childbirth and Postpartum (4%)

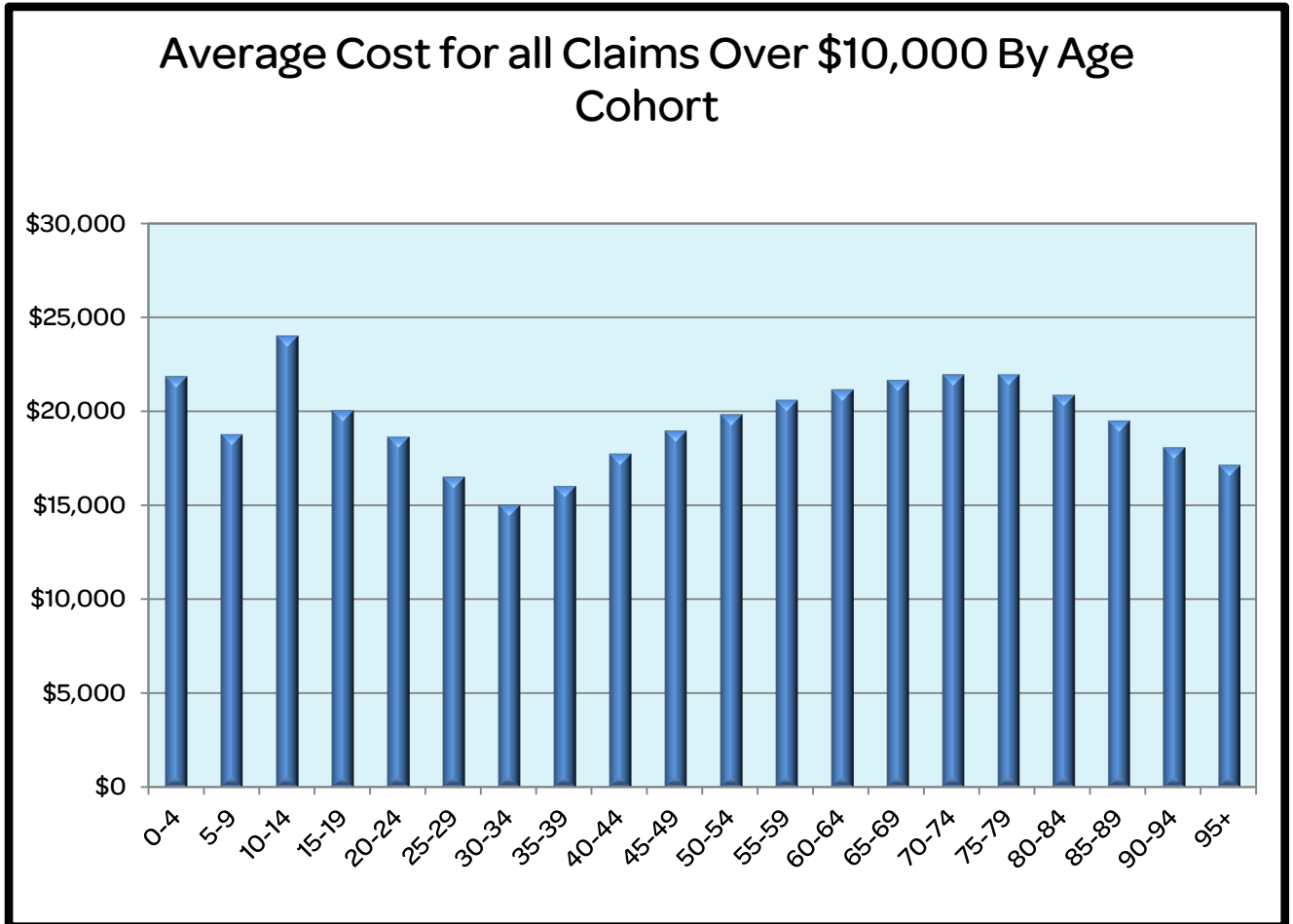
Highest Claim for Selected Groups

- **Cardiovascular diseases** - \$324,647 for the treatment of heart valve disease.
- **Musculoskeletal System and Connective Tissue diseases** - \$313,926 for the treatment of knee osteoarthritis.
- **Cancers** - \$405,282 for bladder cancer.
- **Mental Health** - \$148,093 for the treatment of unstable personality disorder.
- **Diabetes** - \$143,260 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 2018. Average cost per age cohort ranged from \$15,037 for those aged 30-34 to \$24,010 for those aged 10-14.



Hospital High Claims for PHI Members Aged Under 30

For PHI members aged under 30, there were 18,542 hospital claims with benefits exceeding \$10,000, an increase on the previous year of 1,396 hospital claims (+8.1%). Of these, 1,908 claims were for neonatal care provided to premature babies with a total cost of \$41.73 million.

Benefits for all hospital high claims over \$10,000 for under 30s cost \$348.3 million in 2018.

Of the 18,542 claims (see Table 8 for description of individual claims), the highest identifiable hospital claim for a PHI Member aged under 30 (excluding neonates) was for \$159,790 for the treatment of spinal cord injury in a 17 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)

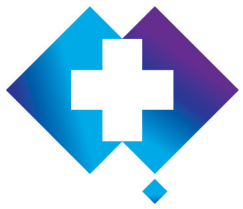


Table 1: Top 20 Identifiable Hospital High Claims for Private Health Insurance

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$531,777	F	72	Knee arthrodesis	360	Private
2	\$495,562	M	71	Viral encephalitis	120	Private
3	\$405,282	F	74	Bladder cancer	115	Private
4	\$360,613	M	NB	Pre-term birth and low birthweight	94	Private
5	\$359,872	M	NB	Extreme prematurity of infant, extremely low birth weight	107	Private
6	\$335,843	M	NB	Extreme prematurity of infant, low birth weight	94	Private
7	\$324,808	F	65	Non-cancerous brain tumour	120	Private
8	\$324,647	M	80	Heart valve disease	85	Private
9	\$313,926	M	74	Knee osteoarthritis	105	Private
10	\$310,569	F	74	Acute pancreatitis	93	Private
11	\$309,130	M	NB	Progressive disease of the neonatal intestine	119	Private
12	\$307,706	M	43	Chronic respiratory failure type II	85	Private
13	\$299,115	F	NB	Extreme prematurity of infant, extremely low birth weight	97	Private
14	\$296,464	M	47	Acute biliary pancreatitis	140	Private
15	\$295,669	M	69	Nasal sinus cancer	143	Private
16	\$281,320	M	71	Viral encephalitis	69	Private
17	\$274,928	F	72	Multiple heart valve diseases	77	Private
18	\$271,217	F	64	Lung cancer	84	Private
19	\$261,260	F	NB	Extreme prematurity	110	Private
20	\$260,969	F	72	Complications of heart disease	45	Private

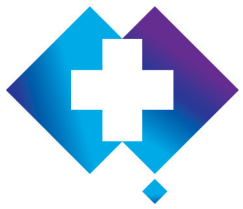


Table 2: Top 20 Identifiable High Claims for the treatment of Cardiovascular Diseases

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$324,647	M	80	Heart valve disease	85	Private
2	\$274,928	F	72	Multiple heart valve diseases	77	Private
3	\$260,969	F	72	Complications of heart disease	45	Private
4	\$256,377	M	75	Heart bypass	89	Private
5	\$236,212	M	70	Heart bypass	90	Private
6	\$235,916	M	84	Aortic aneurysm	59	Private
7	\$233,816	M	76	Coronary heart disease	58	Private
8	\$231,535	M	76	Irregular heartbeat	93	Private
9	\$226,407	M	57	Infection of heart lining and valves	85	Private
10	\$223,996	M	83	Complete heart block	53	Private
11	\$222,576	M	72	Heart bypass	47	Private
12	\$206,469	M	77	Multiple heart valve diseases	66	Private
13	\$206,112	M	73	Heart attack	54	Private
14	\$201,351	M	69	Heart failure	42	Private
15	\$200,719	F	66	Heart valve disease	50	Private
16	\$199,272	M	71	Aortic stenosis	46	Private
17	\$196,941	M	64	Heart bypass	51	Private
18	\$195,982	F	72	Stroke	30	Private
19	\$191,658	M	59	Aortic stenosis	38	Private
20	\$185,203	F	70	Aortic stenosis	45	Private

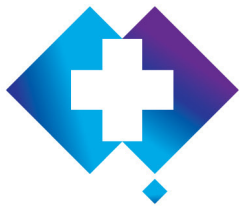


Table 3: Top 20 Identifiable High Claims for the treatment of Musculoskeletal System and Connective Tissue diseases

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$313,926	M	74	Knee osteoarthritis	105	Private
2	\$236,875	M	69	Hip osteoarthritis	102	Private
3	\$217,548	F	67	Spine curvature disorder	33	Private
4	\$207,306	F	74	Spine curvature disorder	31	Private
5	\$196,563	F	73	Knee osteoarthritis	110	Private
6	\$194,243	F	60	Narrowing of the spinal canal	95	Private
7	\$185,608	M	76	Spine curvature disorder	108	Private
8	\$184,315	M	75	Spine curvature disorder	37	Private
9	\$184,023	F	78	Spine curvature disorder	25	Private
10	\$175,569	M	82	Bony hardening of ligaments in areas attached to spine	110	Private
11	\$175,062	F	69	Narrowing of the spinal canal	56	Private
12	\$172,111	F	62	Spine curvature disorder	56	Private
13	\$171,656	M	79	Spine curvature disorder	19	Private
14	\$169,262	M	69	Spine curvature disorder	20	Private
15	\$164,454	M	57	Bone infection in feet	183	Private
16	\$164,013	F	50	Low back pain	19	Private
17	\$160,933	M	77	Spine curvature disorder	19	Private
18	\$158,426	F	78	Failed spinal fusion	18	Private
19	\$154,089	F	63	Disorder of the vertebrae	30	Private
20	\$151,064	M	68	Spine curvature disorder	15	Private

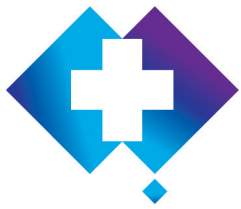


Table 4: Top 20 Identifiable High Claims for the treatment of Mental Health

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$148,093	F	24	Unstable personality disorder	119	Private
2	\$132,749	M	62	Schizophrenia with bipolar disorder	181	Public
3	\$128,237	F	32	Bipolar disorder	100	Private
4	\$127,353	M	37	Schizophrenia	97	Private
5	\$124,923	F	28	Recurrent depressive disorder	248	Private
6	\$121,664	M	23	Schizophrenia with bipolar disorder	168	Public
7	\$116,976	F	30	Schizophrenia with depression	89	Private
8	\$114,621	M	87	Alzheimer's	157	Public
9	\$114,491	F	38	Paranoid schizophrenia	166	Private
10	\$105,073	F	68	Severe depressive episode	144	Public
11	\$102,339	M	53	Obsessive-compulsive disorder	141	Public
12	\$101,881	M	49	Recurrent depressive disorder	77	Private
13	\$100,600	F	58	Severe depressive episode	205	Private
14	\$98,511	F	54	Post-traumatic stress disorder	70	Private
15	\$98,227	M	51	Combined vocal and multiple motor tic disorder	3	Private
16	\$97,632	M	55	Bipolar disorder	78	Private
17	\$95,382	F	66	Severe depressive episode	132	Public
18	\$94,049	F	76	Severe depressive episode	131	Public
19	\$92,658	M	68	Recurrent depressive disorder	69	Private
20	\$92,445	F	66	Agoraphobia with panic disorder	75	Private



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	\$405,282	F	74	Bladder cancer	115	Private
2	\$324,808	F	65	Non-cancerous brain tumour	120	Private
3	\$295,669	M	69	Nasal sinus cancer	143	Private
4	\$271,217	F	64	Lung cancer	84	Private
5	\$255,932	M	56	Bowel cancer	83	Private
6	\$255,773	M	69	Oesophageal cancer	105	Private
7	\$253,769	F	41	Benign brain tumour	163	Private
8	\$248,445	F	80	Bowel cancer	158	Private
9	\$248,036	F	65	Extrahepatic bile duct cancer	61	Private
10	\$222,362	F	54	Secondary brain tumour	80	Private
11	\$207,132	F	77	Secondary nervous system cancer	39	Private
12	\$205,312	F	50	Ovarian cancer	58	Private
13	\$195,140	M	81	Bowel cancer	64	Private
14	\$194,493	M	38	Nasopharynx cancer	52	Private
15	\$191,506	M	67	Non-Hodgkin lymphoma	97	Private
16	\$189,685	M	71	Leukaemia	63	Private
17	\$188,725	M	69	Non-Hodgkin lymphoma	61	Private
18	\$188,006	M	70	Bile Duct Cancer	136	Private
19	\$187,552	F	69	Extrahepatic bile duct cancer	58	Private
20	\$184,317	M	48	Ampullary Cancer	31	Private

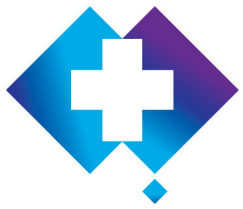


Table 6: Top 20 Identifiable High Claims for the treatment of Diabetes

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$143,260	F	62	Type 2 diabetes with foot ulcer	130	Private
2	\$137,869	M	57	Amputation of toe and midfoot, type 2 diabetes with foot ulcer	120	Private
3	\$115,148	M	78	Type 2 diabetes without gangrene	17	Private
4	\$110,213	M	70	Type 2 diabetes with foot ulcer	55	Private
5	\$105,102	F	57	Type 2 diabetes without gangrene	49	Private
6	\$102,932	F	67	Amputation of toe and midfoot, type 2 diabetes with foot ulcer	85	Private
7	\$97,736	F	64	Surgical removal of soft tissue, type 2 diabetes with foot ulcer	90	Private
8	\$96,529	M	66	Type 2 diabetes with foot ulcer	122	Public
9	\$94,546	M	80	Amputation of toe, type 2 diabetes with gangrene	85	Private
10	\$90,639	M	69	Amputation below knee, type 2 diabetes with foot ulcer	148	Private
11	\$89,693	M	75	Type 2 diabetes with foot ulcer	81	Private
12	\$89,013	M	79	Amputation of toe, type 2 diabetes with gangrene	63	Private
13	\$88,651	F	88	Surgical removal of soft tissue, bone and cartilage, type 2 diabetes with foot ulcer	94	Private
14	\$87,966	M	72	Type 2 diabetes with gangrene	121	Private
15	\$85,603	F	56	Amputation of toe and midfoot, type 2 diabetes with foot ulcer	129	Private
16	\$85,099	F	73	Amputation of toe, type 1 diabetes with gangrene	95	Private
17	\$82,309	M	85	Type 1 diabetes with poor control	95	Private
18	\$79,887	M	55	Type 2 diabetes with features of insulin resistance	189	Public
19	\$78,462	F	68	Amputation of toe and midfoot, type 2 diabetes with foot ulcer	71	Private
20	\$74,941	M	80	Type 1 diabetes with ketoacidosis, without coma	19	Private

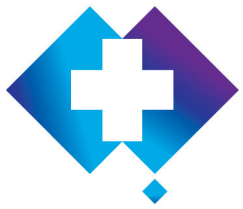
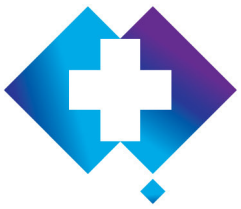
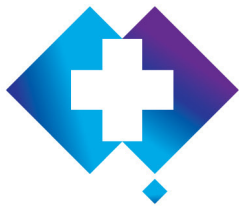


Table 7: Top 5 Identifiable High Claims by 5 Year Age Cohort

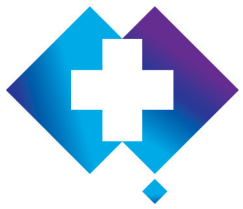
Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/Private/Day Surgery)
0-4	\$360,613	M	Pre-term birth and low birthweight	94	Private
	\$359,872	M	Extreme prematurity of infant, extremely low birth weight	107	Private
	\$335,843	M	Extreme prematurity of infant, low birth weight	94	Private
	\$309,130	M	Progressive disease of the neonatal intestine	119	Private
	\$299,115	F	Extreme prematurity of infant, extremely low birth weight	97	Private
5-9	\$54,686	F	Paralysis of half of the body	73	Public
	\$51,444	M	Acute leukaemia	64	Public
	\$50,597	F	Irregular spinal curvature	5	Public
	\$49,335	M	Abnormally thick heart muscle	3	Private
	\$43,573	F	Tibia fracture	6	Private
10-14	\$156,454	M	Sudden leaking of a blood vessel over the surface of the brain	196	Public
	\$108,413	F	Sudden leaking of a blood vessel over the surface of the brain	219	Public
	\$101,098	F	Spine curvature disorder	8	Private
	\$91,249	F	Juvenile spine curvature disorder	16	Private
	\$88,615	F	Spine curvature disorder	15	Private
15-19	\$159,790	M	Spinal cord injury	402	Public
	\$149,777	M	Brain tumour	31	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
15-19	\$108,352	F	Spine curvature disorder	16	Private
	\$87,435	M	Juvenile spine curvature disorder	15	Private
	\$80,307	M	Spine curvature disorder	8	Private
20-24	\$148,093	F	Unstable personality disorder	119	Private
	\$121,664	M	Schizophrenia with bipolar disorder	168	Public
	\$99,763	M	Spine curvature disorder	8	Private
	\$90,758	F	Anorexia	117	Private
	\$78,248	M	Spine curvature disorder	7	Private
25-29	\$124,923	F	Recurrent depressive disorder	248	Private
	\$105,877	F	Damage to nerve outside brain and spinal cord	3	Private
	\$92,282	F	Childhood autism	350	Public
	\$91,925	M	Post-traumatic stress disorder	72	Private
	\$91,046	F	Spine curvature disorder	11	Private
30-34	\$174,782	M	Acute intestine disorder	80	Private
	\$161,196	M	Brain tumour	64	Private
	\$132,942	M	Aortic aneurysm	49	Private
	\$128,237	F	Bipolar disorder	100	Private
	\$120,023	F	Spine curvature disorder	20	Private
35-39	\$242,682	M	Abnormal blood vessels connecting arteries and veins in the brain	104	Private
	\$194,493	M	Nasopharynx cancer	52	Private
	\$154,376	F	Damage to single nerve in leg	163	Private
	\$140,527	F	Rare, progressive blood vessel disorder	62	Private
	\$127,353	M	Schizophrenia	97	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
40-44	\$307,706	M	Chronic respiratory failure type II	85	Private
	\$253,769	F	Benign brain tumour	163	Private
	\$141,347	F	Nasal cavity and paranasal sinus cancer	31	Private
	\$128,937	M	Defect or hole in the diaphragm	50	Private
	\$112,140	M	Care involving use of rehabilitation	151	Public
45-49	\$296,464	M	Acute biliary pancreatitis	140	Private
	\$202,529	M	Chronic respiratory disease	39	Private
	\$194,739	M	Obesity	72	Private
	\$184,317	M	Ampullary Cancer	31	Private
	\$169,602	M	Inflammatory jaw condition	53	Private
50-54	\$222,362	F	Secondary brain tumour	80	Private
	\$205,312	F	Ovarian cancer	58	Private
	\$164,013	F	Low back pain	19	Private
	\$151,332	M	Bowel cancer	112	Private
	\$140,565	M	Non-cancerous brain tumour	46	Private
55-59	\$255,932	M	Bowel cancer	83	Private
	\$226,407	M	Infection of heart lining and valves	85	Private
	\$215,595	F	Obesity	109	Private
	\$210,850	F	Multiple sclerosis	92	Private
	\$191,658	M	Aortic stenosis	38	Private
60-64	\$271,217	F	Lung cancer	84	Private
	\$223,685	M	Acute biliary pancreatitis	68	Private
	\$196,941	M	Heart bypass	51	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
	\$194,243	F	Narrowing of the spinal canal	95	Private
	\$181,126	M	Intestinal obstruction without hernia	110	Private
65-69	\$324,808	F	Non-cancerous brain tumour	120	Private
	\$295,669	M	Nasal sinus cancer	143	Private
	\$255,773	M	Oesophageal cancer	105	Private
	\$248,036	F	Extrahepatic bile duct cancer	61	Private
	\$236,875	M	Hip osteoarthritis	102	Private
70-74	\$531,777	F	Knee arthrodesis	360	Private
	\$495,562	M	Viral encephalitis	120	Private
	\$405,282	F	Bladder cancer	115	Private
	\$313,926	M	Knee osteoarthritis	105	Private
	\$310,569	F	Acute pancreatitis	93	Private
75-79	\$257,956	F	Pneumonia	114	Private
	\$256,377	M	Heart bypass	89	Private
	\$233,816	M	Coronary heart disease	58	Private
	\$231,535	M	Irregular heartbeat	93	Private
	\$220,805	M	Chronic autoimmune neuromuscular disease causing weakness in the skeletal muscles	64	Private
80-84	\$324,647	M	Heart valve disease	85	Private
	\$248,445	F	Bowel cancer	158	Private
	\$235,916	M	Aortic aneurysm	59	Private
	\$223,996	M	Complete heart block	53	Private
	\$197,123	M	Inflammation of the gallbladder	66	Private
85-89	\$166,038	M	Mechanical complication of knee prosthesis	85	Private



Age Cohort	Total Benefits Paid	Gender	Description	Bed Days	Hospital Type (Public/ Private/ Day Surgery)
	\$158,175	M	Mechanical complication of hip prosthesis	118	Private
	\$157,074	M	Bowel cancer	49	Private
	\$146,086	M	Bacterial skin infection on lower leg	113	Private
	\$134,586	F	Heart bypass	28	Private
90-94	\$108,604	F	Multiple heart valve diseases	15	Private
	\$104,676	F	Hip pain	124	Private
	\$100,357	M	Abdominal aortic aneurysm	27	Private
	\$93,963	F	Infection and inflammatory reaction due to knee prosthesis	106	Private
	\$90,794	F	Aortic stenosis with leakage of the heart valve	26	Private
95+	\$78,218	M	Person awaiting admission to adequate facility elsewhere	668	Public
	\$76,938	F	Ulcer due to blocked arteries in the leg	59	Private
	\$73,910	F	Gastric outlet obstruction	37	Private
	\$73,478	F	Fainting due to low sodium levels in the bloodstream (electrolyte imbalance)	433	Public
	\$72,850	F	Multiple heart valve diseases	24	Private

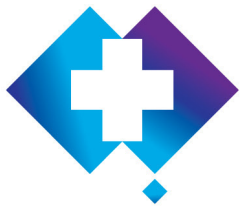


Table 8: Top 30 Identifiable High Claims for Private Health Insurance Members Aged Under 30 (excluding neonates)

Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
1	\$159,790	M	17	Spinal cord injury	402	Public
2	\$156,454	M	12	Sudden leaking of a blood vessel over the surface of the brain	196	Public
3	\$149,777	M	19	Brain tumour	31	Private
4	\$148,093	F	24	Unstable personality disorder	119	Private
5	\$124,923	F	28	Recurrent depressive disorder	248	Private
6	\$121,664	M	23	Schizophrenia	168	Public
7	\$108,413	F	14	Sudden leaking of a blood vessel over the surface of the brain	219	Public
8	\$108,352	F	19	Spine curvature disorder	16	Private
9	\$105,877	F	26	Damage to nerve outside brain and spinal cord	3	Private
10	\$101,098	F	12	Spine curvature disorder	8	Private
11	\$99,763	M	21	Spine curvature disorder	8	Private
12	\$92,282	F	25	Childhood autism	350	Public
13	\$91,925	M	28	Post-traumatic stress disorder	72	Private
14	\$91,249	F	13	Juvenile spine curvature disorder	16	Private
15	\$91,046	F	27	Spine curvature disorder	11	Private
16	\$90,758	F	22	Anorexia	117	Private
17	\$88,617	F	28	Spine curvature disorder	14	Private
18	\$88,615	F	13	Spine curvature disorder	15	Private
19	\$87,435	M	18	Juvenile spine curvature disorder	15	Private
20	\$85,214	M	29	Thoracic aortic aneurysm	33	Public



Rank	Total Benefits Paid	Gender	Age	Description	Bed Days	Hospital Type (Public/Private /Day Surgery)
21	\$84,126	F	28	Maternal care for cervical weakness	118	Private
22	\$82,336	M	14	Bone tumour in leg	7	Private
23	\$82,335	M	28	Lower back pain	7	Private
24	\$82,022	F	28	Recurrent depressive disorder	127	Private
25	\$81,145	F	28	Anorexia	159	Private
26	\$80,767	F	26	Recurrent depressive disorder	122	Private
27	\$80,352	F	13	Spine curvature disorder	15	Private
28	\$80,307	M	15	Spine curvature disorder	8	Private
29	\$79,873	F	29	Anaesthetic complications from surgical opening in belly	22	Private
30	\$78,951	M	16	Spine curvature disorder	8	Private