

8 December 2019

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

RE: Approval received for 2020 premium changes

Private health funds across Australia have received approval from the Federal Minister for Health for changes to private health insurance premiums.

nib has received approval from the Minister to increase insurance cover premiums for nib health funds by an average of 2.90% across all products.

The changes are effective 1 April 2020.

Please see the attached media release for further information about the premium changes.

Yours sincerely,



Roslyn Toms
Company Secretary

This announcement has been authorised for release by Roslyn Toms, nib Company Secretary.

For further information, please contact:

Matthew Neat
Head of Corporate Affairs & Investor Relations
T: +61 (0)2 4914 1777
M: +61 (0)411 700 006
E: m.neat@nib.com.au

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nib announces lowest premium change in 17 years

Following approval from the Federal Minister for Health, nib will increase health insurance premiums by an average of 2.90% from 1 April 2020. It's the sixth year running that nib has been able to deliver a premium change lower than the previous year.

nib Managing Director, Mark Fitzgibbon, said the record low premium increase reflects nib's commitment to keeping health insurance affordable for members.

"We are very mindful of the growing concerns from consumers regarding the value and affordability of private health insurance which is why we've worked extremely hard to deliver the lowest premium change in 17 years," Mr Fitzgibbon said.

"Still, the reality for both private health insurance, and the healthcare industry as a whole including government who fund the lion's share of our nation's healthcare, is that the cost and frequency of medical treatment is rising. While this means consumers are receiving the treatment they need for sickness or injury, it does place pressure on claims costs. In the last financial year alone, we paid out a record \$1.7 billion in claims on behalf of our Australian resident members, with our largest single claim in excess of \$310,000," he said.

Mr Fitzgibbon said while nib will always be there to help fund its members healthcare treatment, it was also doing more to address pain points, such as out-of-pocket expenses.

"We're helping our members quickly and easily determine their likelihood of being charged a gap payment whenever they meet the healthcare system and empowering them to make the right decisions," Mr Fitzgibbon said.

"Our online and telephone Find a Provider tool allows members and more recently GPs to make an assessment at the point of referral as to the likelihood of being charged a gap payment by their medical provider by providing up-to-date data on the provider's average out-of-pocket expenses as well as recent patient experiences. Prior to this it was a bit of a lottery if a member was charged an out-of-pocket expense, with many times not even their GP having this information at hand," he added.

nib will notify members of the premium changes over the coming months with changes effective 1 April 2020.

"As always our frontline teams will be there to support our members to ensure they have the right level of cover to meet their current health needs," Mr Fitzgibbon said.

MEDIA AND INVESTOR RELATIONS

Matthew Neat

Tel: 0411 700 006 (+61 411 700 006)

Email: m.neat@nib.com.au