

HEALTHCARE 99 FIRE

*Firefighters
helping firefighters*

REPORT from the Nineteenth (2018)
ANNUAL GENERAL MEETING
of the NZ Firefighters Welfare Society

HEALTHCARE 99

Is the preferred healthcare provider for



TRUSTEE

The Trustee of HEALTHCARE 99 is the Board of the NZ Firefighters Welfare Society

MEMBERS OF THE WELFARE BOARD

CHAIRMAN	Keith Nixon
SECRETARY	Darrel Surman
TREASURER	Bruce Jensen

REGIONAL REPRESENTATIVES

Region 1	Darryl Johnston
Region 2	Jenna Collings
Region 3	Noel Brock
Region 4	Erroll Tapiki
Region 5	Alice Jonathan
Region 6	Kris Kennett

CLAIMS MANAGER

Currently the Claims Manager is Aon

Executive Director	Sarah Hills Livingstone
Claims handled by	Mark Langford

ADMINISTRATION

New Zealand Firefighters Welfare Society

Office Manager	Amanda Smith
Office Admin Support	Trish Filkins
Office Admin Support	Karen Logan
Sales/Marketing Coordinator	Stephen Clarke

CHAIRMANS ADDRESS
NZ Firefighters Welfare Society
HEALTHCARE 99.
“not an insurance”

A.G.M. 20th June 2018

Welcome to the 19th Annual General Meeting of HealthCare 99.

Thankyou to all members and their families for their support and the continuing endorsement of Healthcare 99 over the last year.

We are all helping each other for when the need arises, with the assistance of meeting medical costs of the members and their families.

Most Healthcare 99 members are FENZ personnel be they, Rural, Urban Volunteers, paid Firefighters, retired firefighters or employees of FENZ.

Healthcare 99 plays a big part in the wellbeing of these members. It enables them in returning to their firefighter duties or employment after sickness or injury.

Meetings

The Trustee/Board held 4 meetings during the 2017/2018 year. The Healthcare 99 Committee met on 4 occasions with Aon our claims manager.

Additional meetings held were with our claims manager AON to examine and look at ways to improve all areas of Healthcare 99 and other Healthcare 99 options.

Improvements and Variations

The Improvements, variations and contributions increases assist Healthcare 99 to remain a compatible and stable fund and to maintain its future sustainability.

The Board/Trustee is always considering other options that may offer the same benefits but with lower contributions rates.

Claims Manager

The Trustee/Board again approved AON as our Healthcare 99 Fund claims manager for the 2018/2019.

Tracy Johnson and Sarah Hills-Livingstone from AON are the people that looked after the management aspects for Healthcare 99 and Mark Langford processes the claims.

Healthcare 99 Membership

Overall Healthcare 99 membership remains stable.

Increasing the Healthcare 99 **membership** would see your Healthcare 99 Fund become a stronger, sustainable, more beneficial and healthier Fund in the future.

Financial Performance.

You will see that the Statement of financial performance shows a comfortable result for the 2017/2018 year but with the small loss overall.

The Fund paid out over \$1,300,000 in claims.

Both the Board/Trustee and Aon are working together to insure that we get the best outcome for everyone.

Actuarial Investigation.

The Trustee keeps a close watch on our increasing aging demographics and rising expenditure of general health care, along with any Government policy changes in health funding as this could affect future contributions rates increases.

The Trustee/Board tries to keep the contributions rates at an acceptable level for members, and will always remain prudent with their decisions for the future benefit of Healthcare 99 Fund.

The Actuarial investigation has recommended a small contribution rate increase across the board for the 2018/2019 year.

Contributions Rates. 2018 to 2019

I can only see that there will be a small increase in the contribution rates for the 2018/2019 year

The increase will reflect the projected rising costs of health care that in turn affect claims on Healthcare 99.

Your Healthcare 99 Fund, I believe still remains very competitive when compared to other similar health providers in the market, and hopefully with the introduction of new options with lower contribution rates will help in remaining competitive and increase membership.

Any increase in the contributions rates should take place in October 2018.

The future of Healthcare 99 Fund remains positive, but the Trustee needs to keep a close watch on developments in the Health Care sectors and respond to them as required.

We are mindful of what the members needs are and we look at all options that are brought to our notice.

ACC.

Healthcare 99 committee on a number of occasions, has had to assist our members with appeals against ACC due to their claims being declined by ACC.

Most of these appeals have been successful and ACC have had to pay the members claim, or in some cases the ACC has had to reimburse the Healthcare 99 Fund.

The result has been a saving of thousands of dollars for the Healthcare 99 Fund.

I would just like to remind members that Healthcare 99 Fund “**is not an insurance**” but a **benefit** introduced by the NZFFWS in April 1999 for the benefit of Welfare Society members who wish to contribute to our Mutual Health Fund, Healthcare 99.

I would like to thank the Trustee/Board of the Healthcare 99 Fund, Secretary, Treasurer, Office staff and Aon for their time, effort and hard work throughout the year.

Reasonable Contributions Rates First-class Benefits

Thank you
All the best

Keith Nixon
Chairman
Board/Trustee.



AGM MINUTES Healthcare 99

Date: **June 20, 2018** Start time: 1230 Closed 1320

Venue: Avalon Studios – Welfare Offices



Present: Keith Nixon (C), Darrel Surman, Amanda Smith, Trish Filkins, Darryl Johnston, David Turner, Noel Brock, Mark Langford, Bruce Jensen, Mike Magyar, Barry Ollerenshaw, Matthew Abel. Gavin Dunphy, Dan Sharpe, Gary Stallard, Phil Barrow, Trevor Tofts, Allan Holmes, Arron Bridgeman

Apologies:

Item	Background/Discussion	Decision	Action
01) Welcome	Keith Nixon as chairman welcomes everyone.	<i>"that the apologies be accepted."</i> 0/0 Carried	
02) Minutes of June 29, 2017	Approval of minutes of June 29, 2017.	<i>"that minutes of June 29, 2017 as read be accepted."</i> Magyar/Tofts Carried	
03) Matters Arising	No matters arising		
04) Annual Accounts	The financial statement showed a current loss of \$13,671.	<i>"that the financial statement and report by the treasurer be accepted and approved."</i> Bridgeman/Stallard Carried	
05) Aon Report	Overall the average cost per claim has increased over the past year. The 60-64 age band average claim cost was \$453 in 2016, it is now \$561.89. On the other hand the the 19-24 age band were \$453 and now are \$233.	<i>"that Aon's report as read be accepted"</i> Smith/Johnston Carried	

Item	Background/Discussion	Decision	Action
06)	<p>Secretary's report</p> <p>Five Members in the past six months have raised concerns with me about the \$500 limit the fund pays out on hospital rooms. The fee for a night in the hospital around the country at this time range from \$640 a night to about \$852. For our members this year the most common fee per night was \$675. The \$500 limit on a hospital stay per night saves the fund about \$20,000 a year. The trade off is always higher contribution fees for fuller coverage or lower fees with some limits put on costs. The trustee has chosen to put some limits on some items to keep the contribution fees down. Members should be aware that hospitals often charge more for a private room than a ward.</p>	<p><i>"that the Secretary's Report as read be accepted"</i></p> <p>Magyar/Abel Carried</p>	
07)	<p>Chairman's Report</p> <p>The Trustee keeps a close watch on our increasing aging demographics and rising expenditure of general health care, along with any Government policy changes in health funding as this could affect future contributions rates increases.</p> <p>The Trustee/Board tries to keep the contributions rates at an acceptable level for members, and will always remain prudent with their decisions for the future benefit of Healthcare 99 Fund.</p> <p>The Actuarial investigation has recommended a small contribution rate increase across the board for the 2018/2019 year.</p>	<p><i>"that the Chairman's report as read be accepted."</i></p> <p>Stallard/Holmes Carried</p>	

Item		Background/Discussion	Decision	Action
08)	Auditor	Approval of auditor for 2018/2019.	<i>"move that the auditor David Turner be retained for the 2018/2019 year"</i> Johnston/Magyar Carried	
09)	General Business	None		
10)	Accepted as a true and accurate record	Chairman	Date	

SECRETARY'S REPORT
TO THE HEALTHCARE 99 AGM
JUNE 2018

First my thanks to all Healthcare 99 members who continue to support this trust fund not only for their own benefit but also for the benefit of all other members and their families. It is your contribution to the fund that creates the pool of money that is available to you and other members who need help when healthcare expenses occur. Since 1999 the fund has paid out over \$18,000,000.

Five Members in the past six months have raised concerns with me about the \$500 limit the fund pays out on hospital rooms. The fee for a night in the hospital around the country at this time range from \$640 a night to about \$852. For our members this year the most common fee per night was \$675. The \$500 limit on a hospital stay per night saves the fund about \$20,000 a year. The trade off is always higher contribution fees for fuller coverage or lower fees with some limits put on costs. The trustee has chosen to put some limits on some items to keep the contribution fees down. Members should be aware that hospitals often charge more for a private room than a ward.

Members please take note that because of the relatively small size of Healthcare 99 membership, some 1475 folks, small fluctuations in costs and/or savings have a larger effect on the contribution rate required to keep the fund viable than it would if the membership were doubled or tripled in size.

There is one big advantage members have from belonging to Healthcare 99 over members belonging to other healthcare plans and that is there is no further increase to the contribution rate once you reach 70 years of age. This is very useful for those on a fixed income after retirement.

Again my thanks go to all members of Healthcare 99. It is also appropriate to thank and acknowledge Aon and their staff who administer the scheme so well on our behalf. Finally I also wish to thank and give due acknowledgement to all those who work behind the scenes to keep the options offered to members current, affordable and viable. I can assure everyone that long hours, much research, discussion and consideration goes in to the costs and benefits of the plan that are currently available.

Respectfully,

Darrel Surman
Secretary

Healthcare 99
Financial statements
For the year ended 31 March 2018

Healthcare 99

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Healthcare 99
Directory
as at 31 March 2018



Nature of business: Healthcare Scheme for Members of New Zealand Firefighters Welfare Society

IRD number: 073-111-129

Bankers: ANZ

Solicitors: Thomas Dewar

Business address: Private Bag 31 999
Lower Hutt 5040

Accountants: Add Smart Limited

Auditors: DJ Turner and Associates

Healthcare 99

Approval of financial report For the year ended 31 March 2018

The committee is pleased to present the approved financial report including the historical financial statements of Healthcare 99 for the year ended 31 March 2018.

APPROVED

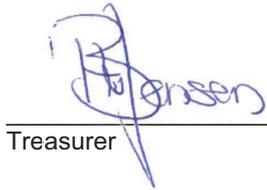
For and on behalf of the committee



Chairperson

19 June 2018

Dated



Treasurer

19 June 2018

Dated

Healthcare 99

Statement of profit or loss For the year ended 31 March 2018

	2018	2017
	\$	\$
Income		
Contributions	1,533,506	1,533,672
ACC Income	5,696	-
Interest	14,269	12,220
	<u>1,553,471</u>	<u>1,545,892</u>
Total income	<u>1,553,471</u>	<u>1,545,892</u>
Expenses		
AGM Expenses	443	2,637
Audit Fee	2,600	2,100
Bank Charges	65	65
Booklet	-	2,118
Committee Expenses	105	-
Healthcare Claims Paid Out	1,319,952	1,156,876
Healthcare Commission	76,488	60,870
Legal Costs - ACC Disputes	15,809	7,195
Management Fee	125,004	125,004
Newsletter	7,977	267
Printing & Stationery	-	623
Professional Fees	13,600	27,600
Promotions	-	252
Travel	239	1,643
Treasurer	4,860	4,890
	<u>1,567,142</u>	<u>1,392,140</u>
Total expenses	<u>1,567,142</u>	<u>1,392,140</u>
Net profit (loss)	<u>(13,671)</u>	<u>153,752</u>

The accompanying policies and notes form part of these financial statements. These statements should be read in conjunction with the attached auditors report prepared by DJ Turner and Associates.

Healthcare 99

Statement of changes in equity For the year ended 31 March 2018

	2018	2017
	\$	\$
Equity as at 01 April 2017	597,292	443,541
Net profit (loss) for the period	(13,671)	153,752
	<u>583,621</u>	<u>597,293</u>
Closing balance as at 31 March 2018	<u><u>583,621</u></u>	<u><u>597,293</u></u>

The accompanying policies and notes form part of these financial statements. These statements should be read in conjunction with the attached auditors report prepared by DJ Turner and Associates.

Healthcare 99

Balance sheet as at 31 March 2018



	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	2	799,167	779,940
GST refund due		26,617	(9,644)
Other current assets	4	5,252	4,606
Total current assets		<u>831,036</u>	<u>774,902</u>
Total assets		<u>831,036</u>	<u>774,902</u>
Current liabilities			
Trade and other payables	5	80,345	28,039
Associated loans	3	1,470	1,470
Accrued Expenses	6	2,600	2,100
Provision for Claims		163,000	146,000
Total current liabilities		<u>247,415</u>	<u>177,609</u>
Total liabilities		<u>247,415</u>	<u>177,609</u>
Net assets		<u>583,621</u>	<u>597,293</u>
Equity			
Retained earnings		583,621	597,293
Total equity		<u>583,621</u>	<u>597,293</u>

The accompanying policies and notes form part of these financial statements. These statements should be read in conjunction with the attached auditors report prepared by DJ Turner and Associates.

Healthcare 99

Notes to the financial statements For the year ended 31 March 2018



1 Statement of accounting policies

These financial statements are for Healthcare 99. Healthcare 99 is a Mutual Fund, ("the fund") established by the New Zealand Firefighters' Welfare Society to provide assistance with health costs to members of the Fund and their families. The New Zealand Firefighters' Welfare Board is the Trustee of the Fund.

This financial report is a special purpose report to explain the society's financial performance and financial position to the members of the society. It is based on accounting principles commonly used in New Zealand as detailed below. The report should not be relied on for any other purpose.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

Changes in accounting policies

There have been no changes in accounting policies and they have been applied on a consistent basis with those used in previous years.

Revenue and other income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Provision of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Going concern

These financial statements have been prepared on the basis that the entity is a going concern.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Trade and other receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Trade and other payables

Trade payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Goods and services tax

Healthcare 99 is registered for GST. All amounts are stated exclusive of GST with the exception of receivables and payables, which are stated inclusive of GST.

These notes should be read in conjunction with the attached auditors report prepared by DJ Turner and Associates.

Healthcare 99

Notes to the financial statements

For the year ended 31 March 2018

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Income tax

The Fund holds tax exempt status as a Friendly Society Organisation, thus no provision has been made for income tax.

Healthcare 99

Notes to the financial statements For the year ended 31 March 2018



	<i>Note</i>	2018 \$	2017 \$
2 Cash and cash equivalents			
Current assets			
ANZ - Cheque		271,767	265,892
ANZ - On Call		69,817	69,316
Public Trust - On Call		-	1,859
Aon Deposit		50,000	50,000
Public Trust - Term Deposit		-	50,000
ANZ Bank Investment -1002		63,693	61,679
ANZ Bank Investment -1003		64,295	62,093
ANZ Bank Investment -1004		64,155	61,958
ANZ Bank Investment - 1006		54,011	52,477
ANZ Bank Investment - 1007		54,080	52,544
ANZ Bank Investment - 1008		54,196	52,122
Firefighters Credit Union		53,153	-
		799,167	779,940
		<u>799,167</u>	<u>779,940</u>
3 Associated loans			
Current liabilities			
Inter Entity - Welfare Society		1,470	1,470
		<u>(1,470)</u>	<u>(1,470)</u>
4 Other assets			
Accrued Interest		5,252	4,606
		<u>5,252</u>	<u>4,606</u>
5 Trade and other payables			
Trade Creditors		80,345	28,039
		<u>80,345</u>	<u>28,039</u>

These notes should be read in conjunction with the attached auditors report prepared by DJ Turner and Associates.

Healthcare 99

Notes to the financial statements For the year ended 31 March 2018



	<i>Note</i>	2018 \$	2017 \$
6 Provisions			
Accrued Expenses		2,600	2,100
Provision for Claims		163,000	146,000
		<hr/>	<hr/>
		165,600	148,100
		<hr/>	<hr/>
		165,600	148,100
		<hr/>	<hr/>

Provision for Claims

The Rules of the Fund allow members to make claims for medical costs up to 30 days following the date of treatment. A provision of \$163,000 (2017: \$146,000) has been made for claims incurred but not reported ("IBNR") during the current period. The provision established in these financial statements is determined by an external actuarial report undertaken, taking into consideration the average delay from invoice date to processed date for the current financial period. It is not expected that any reimbursement will be received for these claims and accordingly no asset has been recognised for any reimbursement.

7 Related party

The following transactions with a related party occurred during the year:

Related party name	Relationship	Type of transaction	This year \$	Last year \$
NZ Firefighters Welfare Society	Related Party	Funding	1,470	1,470

Terms and conditions of transactions with Related party

Contributions are paid by members to the New Zealand Firefighters' Welfare Society, which administers Healthcare 99 as a separate Fund. An administration fee is paid for these services and this fee is disclosed in the Statement of Financial Performance.

No related party balances have been written off or forgiven in the year (2017: \$Nil).

Claims are administered by Aon Risk Services NZ Limited, an independent company.

8 Contingent liabilities

At balance date there are no known contingent liabilities. Healthcare 99 has not granted any securities in respect of liabilities payable by any other party whatsoever.

Healthcare 99

Notes to the financial statements For the year ended 31 March 2018

<i>Note</i>	2018	2017
	\$	\$

9 Financial Instruments

Credit Risk

Financial instruments which potentially subject the fund to credit risk principally consist of bank balances, accounts receivable and investments.

Maximum exposures to credit risk as at balance date are:

	2018	2017
	\$	\$
Bank Balances	341,586	337,067
Receivables	-	-
Deposits	457,581	442,873

No collateral is held on the above amounts.

Concentrations of Credit Risk

The fund is not exposed to any concentrations of credit risk.

Interest Rate Risk

The fund is exposed to interest rate risk in that future interest rate movements will affect the returns earned, cash flows, and the market value of financial instruments.

The short-term deposits are fixed term, and reprice to market rates at the end of each term upon reinvestment.

Fair Values

The carrying amount of bank balances, accounts receivable, investments and accounts payable is the fair value for each of these classes of financial instrument.

Healthcare 99

Notes to the financial statements

For the year ended 31 March 2018

	<i>Note</i>	2018 \$	2017 \$
10 Segment Accounting			
The fund operates within New Zealand and is wholly involved in the provision of health care costs to fund members.			
11 Donated Assets			
There were no donated assets during the year (2017: \$Nil).			

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

Opinion

We have audited the financial statements of the New Zealand Firefighters' Welfare Society – Healthcare 99 ("The Fund") on pages 1 to 11, which comprise the statement of financial position as at 31 March 2018, the statement of financial performance, statement of movements in equity for the year then ended, the statement of accounting policies and other explanatory information.

In our opinion, the financial statements on pages 1 to 11 are prepared, in all material respects in accordance with the special purpose framework described in Note 1 to explain The Fund's financial performance and financial position to the members of The Fund based on accounting principles commonly used in New Zealand.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Fund in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, The Fund.

Special Purpose Framework

The financial statements are prepared in accordance with a special purpose framework for the purpose of reporting to members and, as a result, the financial statements may not be suitable for another purpose.

Restriction on Responsibility

This report is made solely to the members, as a body, in accordance with the constitution and by-laws of The Fund. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Executive's Responsibility for the Financial Statements

The Executive is responsible for determining that the special purpose framework described in Note 1, based on accounting principles commonly used in New Zealand is acceptable in The Fund's circumstances, for the preparation of the financial statements in accordance with the special purpose framework chosen to explain The Fund's financial performance and financial position to the members of The Fund and for such internal control as the Executive determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (Continued)

In preparing the financial statements, the Executive is responsible for assessing The Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive either intends to liquidate The Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Fund's internal control
- conclude on the appropriateness of the use of the going concern basis of accounting by the Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Fund to cease to continue as a going concern
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We communicate with the Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



DJ Turner & Associates
Chartered Accountants
Wellington, NZ
19th June 2018



WorkAon
P O Box 30-567, Lower Hutt
Tel 04 569 7981
Fax 04 566 1045
Email sarah.hills-livingstone@aon.com

15 June 2018

Sarah HILLS-LIVINGSTONE

Mr D Surman
Secretary
New Zealand Firefighters Welfare Society
Private Bag 31999
LOWER HUTT

Dear Darrel

Healthcare99 - AGM 20 June 2018

Highlighted below are some critical observations of the fund that underpin the existing results and the long-term predictions of the fund, based on market research.

Costs by Treatment:

The distribution of costs across benefit types is similar to last year's claims. The total costs of the surgeon, anaesthetist and hospital comes to \$1,091,989.32. The total hospital cost this year is 75% of the total costs by treatment. This is an increase on 2017's total by 3%.

Costs by Age Group:

Overall, the average cost per claim has increased over the last year. The 60 - 64 age band average claim cost was \$453 in 2016, it is now it is \$561.89. On the other hand, the 19 - 24 age band were \$453 and now are \$233.

Market Comparison:

Once again, an Actuary Investigation was conducted to review a contribution analysis comparison with other Health providers in the marketplace. While it is not possible to do an exact product comparison as all plans will vary in their detail, the comparison has highlighted that Healthcare99 contribution rates are in the majority of cases cheaper than anything else available.

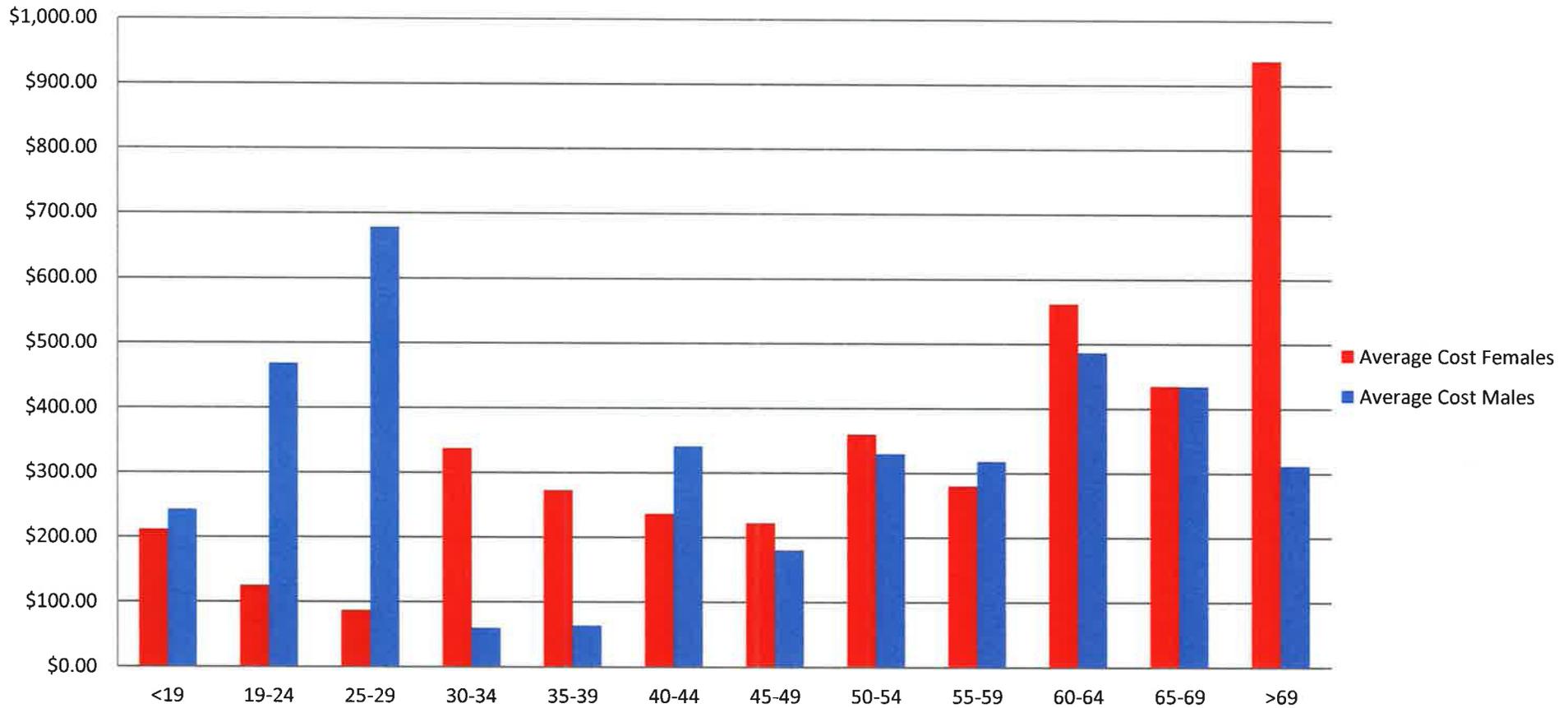
We recommend a further increase this year to keep pace with the increased pressure within the Health Insurance sector and to meet the costs of claim and expenses of the fund.

We welcome any queries the members may have.

Yours sincerely,

Sarah Hills-Livingstone
EXECUTIVE DIRECTOR

Average Cost by Gender & Age



Average Cost by Gender & Age

Age Band	No	Average Cost	
		Females	Males
<19	65	\$210.87	\$242.28
19-24	93	\$124.87	\$467.98
25-29	102	\$86.63	\$677.74
30-34	59	\$336.94	\$59.94
35-39	69	\$272.00	\$63.50
40-44	94	\$235.63	\$340.81
45-49	87	\$221.44	\$180.13
50-54	147	\$359.39	\$329.83
55-59	438	\$279.60	\$318.32
60-64	320	\$561.89	\$486.66
65-69	356	\$434.38	\$434.44
>69	155	\$937.60	\$311.87
Grand Total	1,985	\$387.55	\$373.35

HEALTHCARE 99 MUTUAL FUND MEMBERSHIP

*To join Healthcare 99
you must be a member of the Welfare Society*

Those persons whom the Board deemed to have or have had a close association with the New Zealand Fire Service, under rule 5 (a) are eligible to apply to join the New Zealand Firefighter Welfare Society. These are:



1. All FENZ Personnel
2. Airport Crash Fire Service employees.
3. Employees of the Society.
4. Employees of the UFBA
5. Persons who have retired from the NZ Fire Service and FENZ.
(Should apply within twelve months of leaving the fire service).
6. A member's child, upon reaching the age of 19 years.
7. Members of an Ambulance Service, within NZ (paid or voluntary).
8. Appointed Office holders of the Society (Treasurer, Secretary etc).
9. Members and employees of the New Zealand Firefighters Credit Union.
10. Employees of the New Zealand Professional Firefighters Union.
11. Any other persons as approved by the Welfare Board.

*If you want to join Healthcare 99 ring our office on
0800 653 473 for an application pack*

