

Monday, 30 September 2019

Private health insurance satisfaction up slightly

New research from Roy Morgan reveals satisfaction with private health insurance is up a little year-on-year, but the overall downward trend of the past few years continues.

Overall, Australians holding private health insurance rated their customer satisfaction at 72.2% in August. This is a small increase on August 2018, when the number was 70.9%. However it is still lower than satisfaction rates in August 2016 (74.5%) and August 2015 (76.3%).

Customer satisfaction with private health insurance reached its lowest point in June 2018, when it hit 70.5%. Over 10.1 million Australians now have private health insurance.

As with any consumer product, satisfaction is key in retaining customers. Consumers who do not see value for money will take their business elsewhere ... or do without.

Speaking about the findings, revealed by Roy Morgan's Single Source Survey — in-depth personal interviews conducted face-to-face with over 50,000 Australians each year in their own homes — Roy Morgan CEO Michele Levine pointed to the major differences in satisfaction levels between funds, and the implication this has for the business:

"The Tasmanian not-for-profit fund St.LukesHealth is performing far above average, with a satisfaction rating of 86%. Poorer performers could learn from it and other highly rated funds Defence Health (84%) and Health Partners (83%) in order to improve their chances of member retention."

The August customer satisfaction win is far from a one-off for St.LukesHealth — it has claimed six of the eight monthly customer satisfaction awards for 2019 so far.

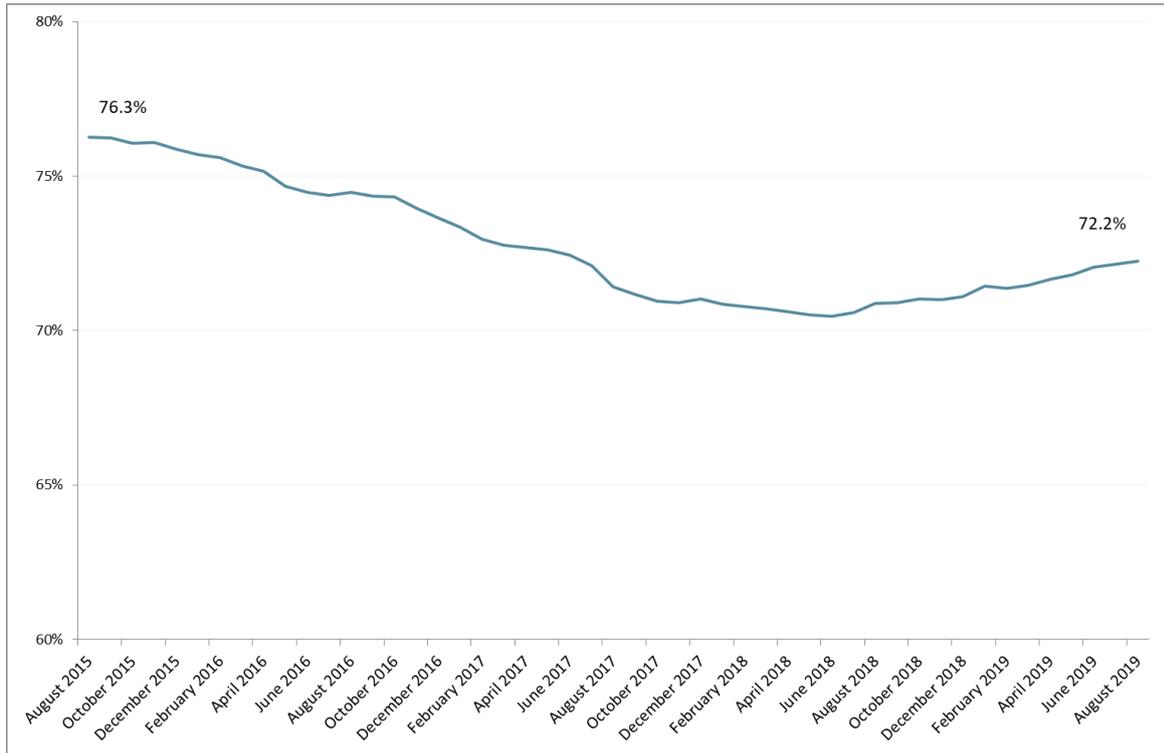
This gives it an enviable sense of security, says Levine. *"Our research shows that customer satisfaction matters for customer retention. Of private health insurance customers who were dissatisfied with their current provider, more than 20% either intend to swap to another company, shop around and then decide, or not renew their policy at all. This compares to less than 5% for private health insurance customers who are satisfied with their provider."*

Further in-depth insights available:

For those wanting in-depth detail on customer experience across all funds, Roy Morgan's '[Customer Satisfaction with Private Health Insurance](#)' report is available for purchase. *"As well as showing satisfaction broken down by brand over time, Roy Morgan measures health insurance members and intenders, the Media Most Useful for making health insurance decisions, the Health Insurance Net Trust Score, and the channels in which health insurance is obtained,"* says Michele Levine.

FOR IMMEDIATE RELEASE

Private Health Insurance Customer Satisfaction



Source: Roy Morgan Single Source (Australia) Rolling 12 Monthly August 2015 – August 2019, average sample n = 23,935. **Base:** Australians 14+ with private health insurance.

To learn more about Roy Morgan’s private health insurance data, call (+61) (3) 9224 5309, email askroymorgan@roymorgan.com or visit the [Roy Morgan Online Store](#).

About Roy Morgan

Roy Morgan is Australia’s largest independent research company, with offices in each state, as well as in the U.S. and the U.K. A full service research organisation, Roy Morgan has over 75 years’ experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2