

Australian Seniors: Cost of Health Report

March 2023

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About the report

The Cost of Health Report 2023 forms part of the Australian Seniors Research Series. In its latest instalment, this study explores the challenges Australia's over 50s have with the current cost of health and their concerns about the rising cost of living and how it will impact the cost of health. It also explores the impact that COVID-19 has had on senior Australians.

The report is compiled based on research commissioned by Australian Seniors and conducted by CoreData between 14 and 21 November 2022. The research was conducted via a quantitative online survey, gathering 1,200 responses from Australians aged 50 and above.

The sample is representative of the general senior population of Australians in terms of age, gender, wealth, and state/territory.

Important things to observe about the charts and figures

- *Charts without a specific note represent questions that were asked to all respondents.*
- *Footnotes directly underneath the charts may refer to one or more of the following below dependent on the data presented. If more than one note is required, it would appear as a bulleted list.*
 - *Subset of the total sample size as certain questions would only be asked to specific respondents (e.g. n=938, seniors reliant on Medicare)*
 - *Types of questions asked, for instance 'Multiple answers allowed' appears when the question called for more than one answer from the respondent*
 - *Data has been excluded from analysis (e.g. The option 'Not applicable' has been excluded from analysis; outliers removed from analysis)*
 - *Expanded explanation for figures that require additional calculations involving external publicly available data*
- *Some charts and figures may not be equal to 100% due to rounding differences. This is also true for summed up figures.*



Key findings

Key findings

Although many consider themselves in good health, many are facing ongoing health challenges

- Over 2 in 5 (45%) are living with major ongoing health challenges. The age group living with the most major ongoing health challenges are those who are 60-69 years old (46%), followed by 70-79 years old (45%), 50-59 years old (43%), and 80-89 years old (43%).
- Close to 3 in 5 (57%) consider themselves to often or always be in 'good health' physically and mentally. The age group that has the most responses for often or always being in 'good health' are those who are 80-89 years old (66%), followed by 70-79 years old (62%), 60-69 years old (59%), and 50-59 years old (49%).
- The age group that has the most responses for feeling that they're generally coping with their health issues at least reasonably are 80-89-year-olds (82%), followed by 70-79-year-olds (69%), 60-69-year-olds (66%), and 50-59-year-olds (58%).
- Over 50s who feel they generally cope well with their health issues (74%) are more likely to report their health as being always or often good.

Top concerns and health challenges include loss of mobility and independent living

- Over 1 in 2 (56%) feel the greatest health challenges and concerns as they get older is loss of mobility (56%), followed by losing the ability to live independently (47%) and getting injured (39%).
- Just under 1 in 4 (24%) are very concerned about contracting COVID-19 these days.
- Around 1 in 5 (20%) agree there's been specific 'silver lining' health benefits they can identify post-pandemic, which has been greater awareness and focus on maintaining/improving good health. This is followed by taking up exercising/walking outdoors more (20%) and eating more healthy food in general (18%).

Maintaining and improving health through regular exercise and health check-ups

- The key things over 50s are doing to help maintain and improve 'good health' in their life include regular exercise (58%), regular health check-ups (58%), and eating health foods (56%).
- Over 4 in 5 (86%) place a somewhat high priority on doing all they can to improve or maintain their health.

Having private health insurance can help cover unexpected medical emergencies

- Just over 2 in 5 (43%) have private health insurance with more than basic cover. Around 1 in 10 (13%) have private health insurance with basic cover. The average number of claims on private health insurance policies each year is 5.
- The benefits that are used the most are dental/orthodontics (69%), optometry (58%), and hospital cover for treatment as a private patient (37%).
- The key reasons that over 50s have private health insurance include helping to cover the cost of unexpected medical emergencies (60%), reduced waiting times for elective treatment (59%), and choice of doctor and/or hospital (57%).
- The top choice drivers when selecting a health fund are affordability (64%), cost effectiveness (63%), and breadth of policy cover (53%).

Key findings

Doctors and dentists are considered essential despite financial pressures

- Unexpected costs (61%), specialist doctor appointments (50%), and dentist appointments (43%) are the healthcare costs respondents are most concerned about affording now given the rising cost of living.
- The health services that are considered essential despite financial pressures are specialists doctor appointments as needed (68%), regular GP visits (67%), and regular dentist appointments (57%).
- The main ways people are cutting spending on health-related products and services in response to the rising cost of living include skipping or reducing regular dentist appointments (23%), spending less on expensive healthy ingredients (21%), and skipping or reducing regular GP visits (14%).
- Over 2 in 5 (45%) have done something to reduce spending on health-related products and services in response to the rising cost of living.
- Just under 1 in 4 (24%) feel private health insurance is affordable in Australia.
- Respondents estimate they pay \$1,586 in out-of-pocket expenses towards their health on average each year. This estimate equivalates to approx \$14.18b Australia-wide.

Many are reliant on Medicare and are concerned as finding/getting to bulk-billing GPs is getting harder

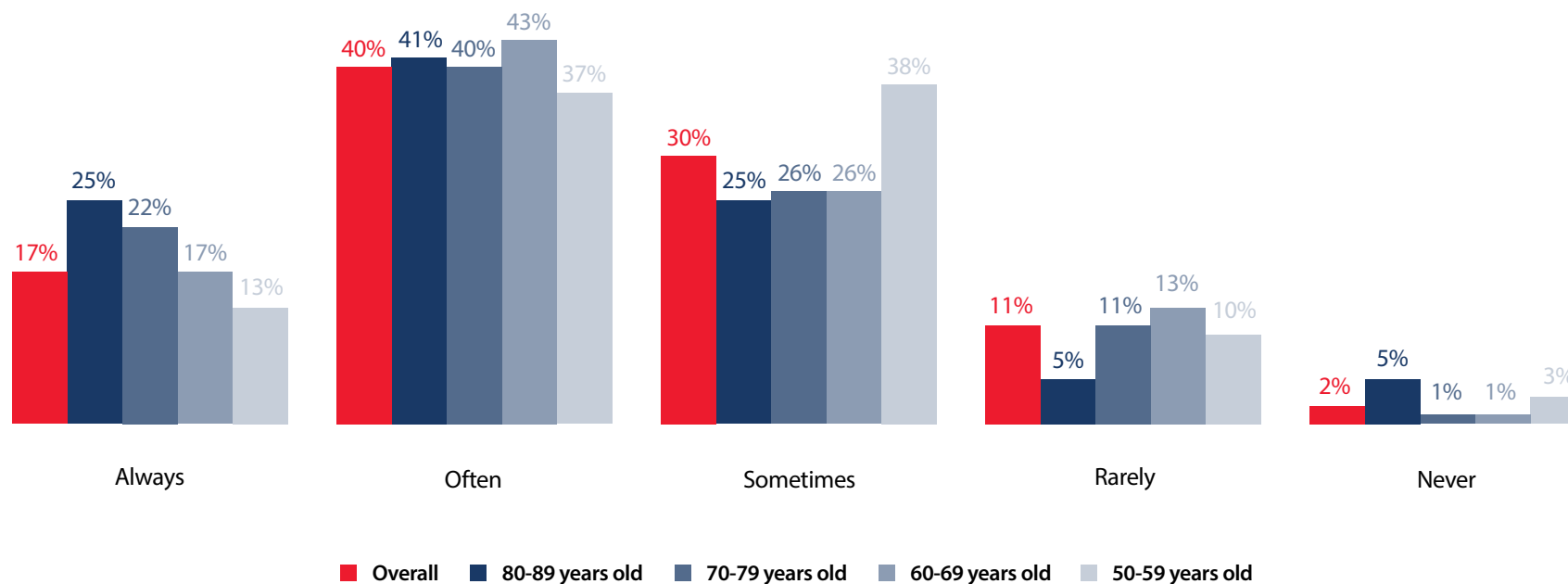
- Around 3 in 5 (60%) are largely reliant on Medicare to be able to afford health treatments they require.
- Over 50s reliant on Medicare tend to rely on this to assist with doctor and specialist appointments (90%), screening, tests and scans (63%), and medicines (57%).
- Just under 1 in 2 (49%) always use bulk-billing GPs.
- Around 7 in 10 (71%) agree it's getting harder to find doctors who provide sufficient bulk-billing/affordable gap payments.
- Just under 2 in 5 (39%) agree they have to travel some distance to find bulk-billing GPs that are affordable/have acceptable waiting times.
- Over 50s feel the greatest issues facing the Australian healthcare system in 2022 are waiting times for appointments/treatments (68%), waiting times for emergency services/paramedics (66%), and the aged care system (63%).
- Over 50's reported that on average, the typical wait time these days to get an appointment with a GP when needed is 7 days.



Healthy attitudes

How healthy are over 50s?

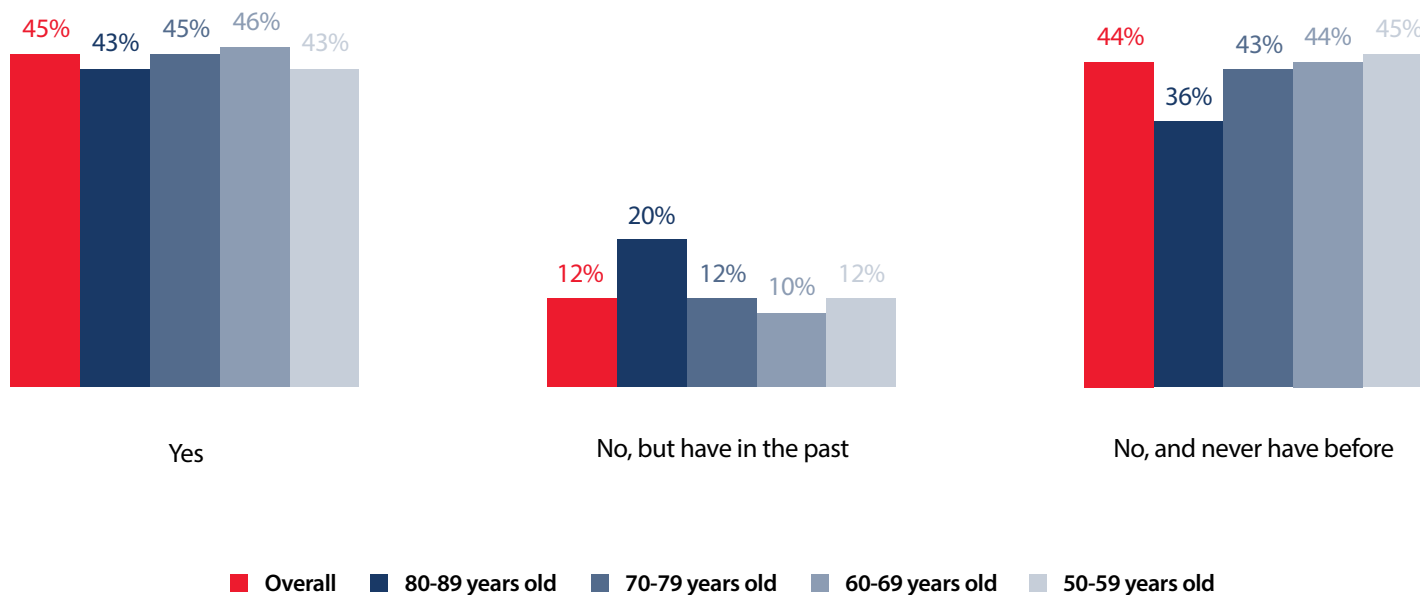
Do you consider yourself to be in 'good health' physically and mentally?



Close to 3 in 5 (57%) consider themselves to always or often be in 'good health' physically and mentally. The age group that has the most responses for being in 'good health' are those who are 80-89 years old (66%), followed by 70-79 years old (62%), 60-69 years old (59%), and 50-59 years old (49%).

Ongoing health challenges

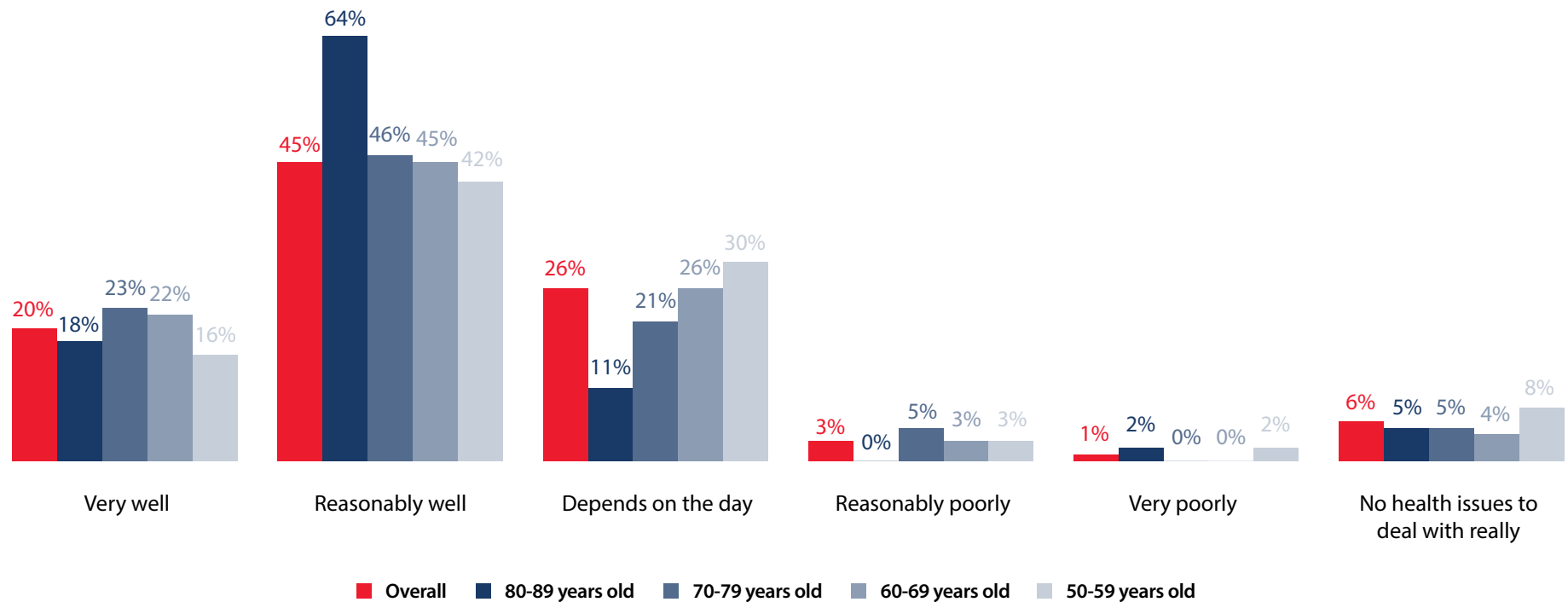
Are you living with any major ongoing health challenge (e.g., dietary issues, chronic illness, long-term injury/disability/impediment, mental illness, terminal illness)?



Over 2 in 5 (45%) are living with major ongoing health challenges. The age group living with the most major ongoing health challenges are those who are 60-69 years old (46%), followed by 70-79 years old (45%), 50-59 years old (43%), and 80-89 years old (43%).

Coping with health issues

We all have minor and major health issues to deal with in our lives.
How well do you feel you are generally coping with any health issues you are facing?



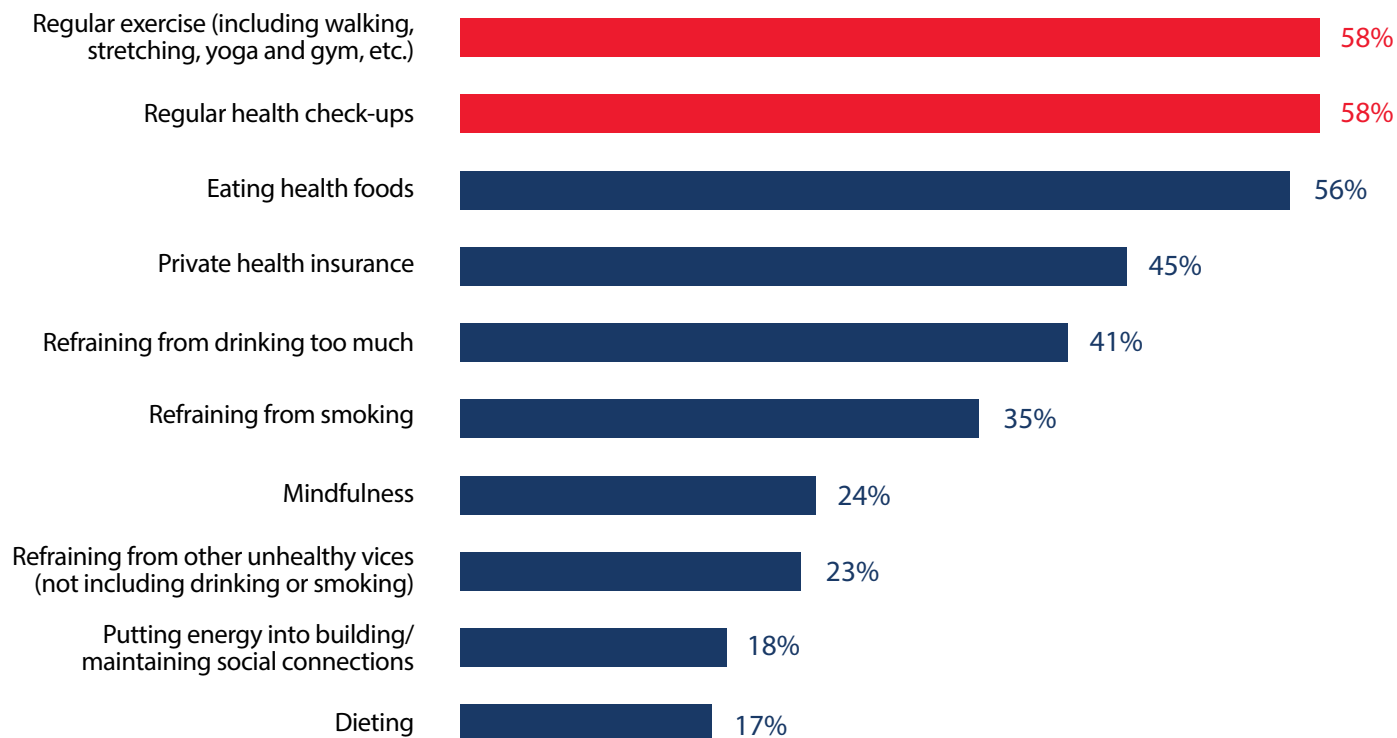
The age group that has the most responses for feeling that they're generally coping with their health issues at least reasonably are 80-89-year-olds (82%), followed by 70-79-year-olds (69%), 60-69-year-olds (66%), and 50-59-year-olds (58%). Over 50s who feel they generally cope with their health issues well (74%) are more likely to report their health as being always or often good.



Staying healthy

Key things to maintain and improve good health

What key things are you doing to help maintain and improve 'good health' in your life? i.e. How are you 'investing' in your health?



Multiple answers allowed, top 10 answers only

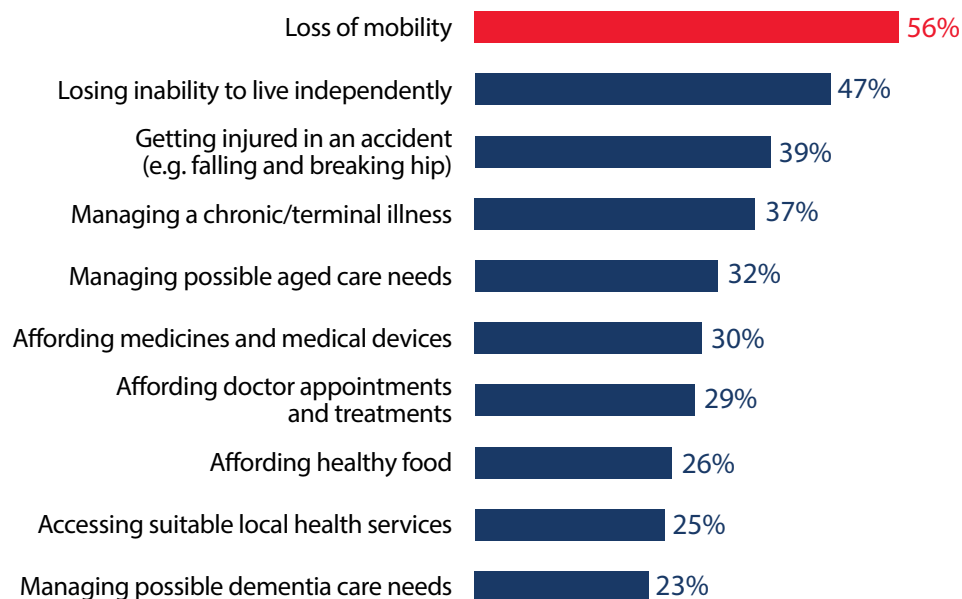
The key things over 50s are doing to help maintain and improve 'good health' in their life include regular exercise (58%), regular health check-ups (58%), and eating health foods (56%).



Health concerns

Challenges and concerns of getting older and contracting COVID-19

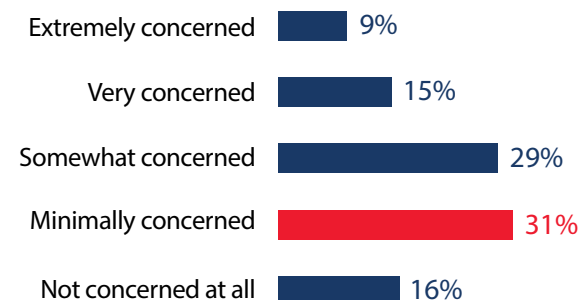
What do you feel are your greatest health challenges and concerns as you get older?



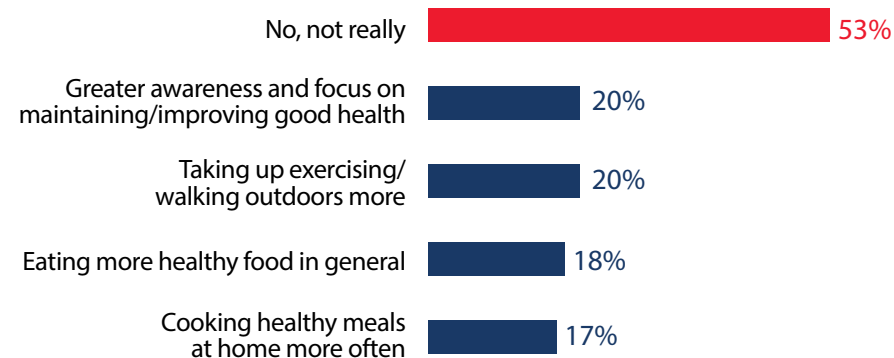
■ Multiple answers allowed, top 10 answers only

Over 1 in 2 (56%) feel the greatest health challenges and concerns as they get older are loss of mobility (56%), followed by losing the ability to live independently (47%) and getting injured (39%). Just under 1 in 4 (24%) are very concerned about contracting COVID-19 these days.

How concerned are you about contracting COVID-19 these days?



Have there been any specific 'silver lining' health benefits you can identify post COVID-19 pandemic?



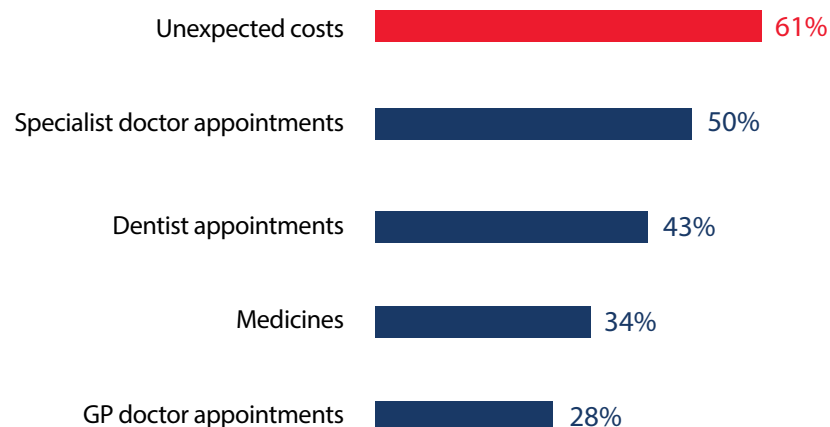
■ Multiple answers allowed, top 5 answers only



Cost of health

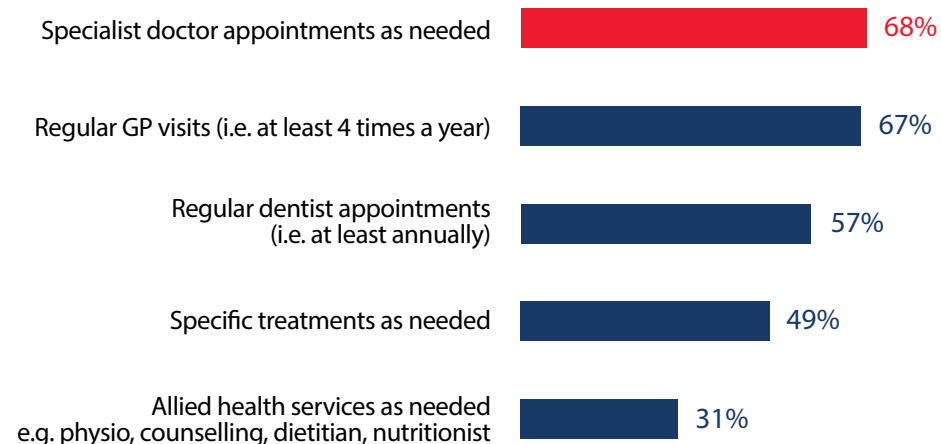
Affording healthcare costs with rising cost of living

What healthcare costs are you most concerned about affording now given the rising cost of living?



■ Multiple answers allowed, top 5 answers only

What health services do you consider 'essential' despite financial pressures?

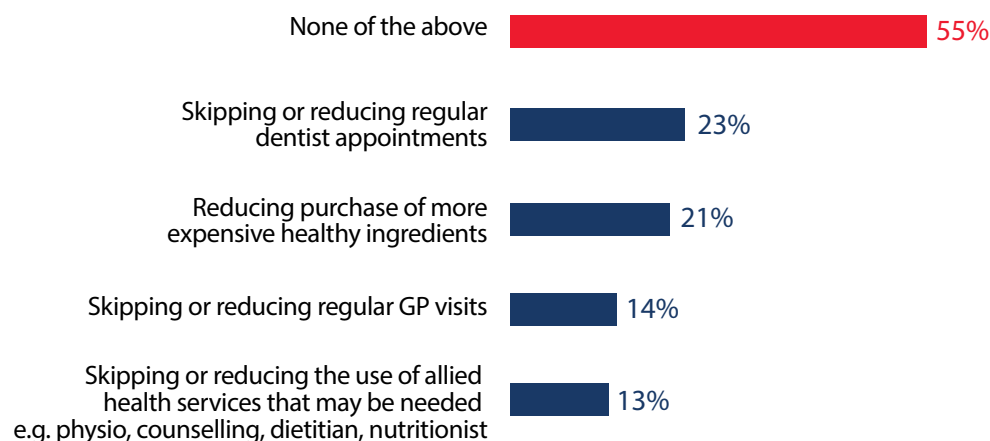


■ Multiple answers allowed, top 5 answers only

Unexpected costs (61%), specialist doctor appointments (50%), and dentist appointments (43%) are the healthcare costs respondents are most concerned about affording now given the rising cost of living.

Affording private health insurance and out-of-pocket expenses

Have you done any of the following to reduce spending on health-related products and services in response to the rising cost of living?



■ Multiple answers allowed, top 5 answers only

How much seniors estimated they pay in out-of-pocket expenses towards their health on average each year



Average estimated out-of-pocket expenses Australia-wide by seniors towards their health annually



■ This figure was calculated using CoreData survey responses from Australians over the age of 50 and relevant ABS population data was used in the calculations to establish the cost for out-of-pocket expenses for seniors Australia wide

Over 2 in 5 (45%) have done something to reduce spending on health-related products and services in response to the rising cost of living.

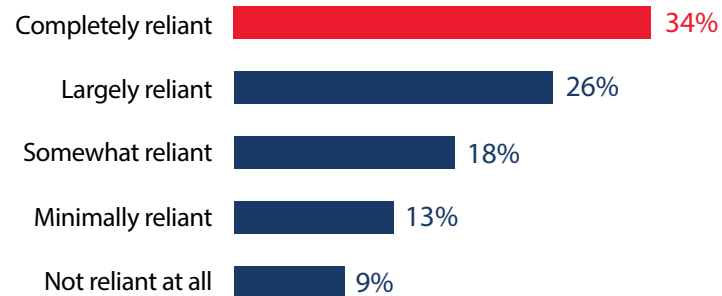
Respondents estimate they pay \$1,586 in out-of-pocket expenses towards their health on average each year. This estimate equates to approx \$14.18b Australia-wide.



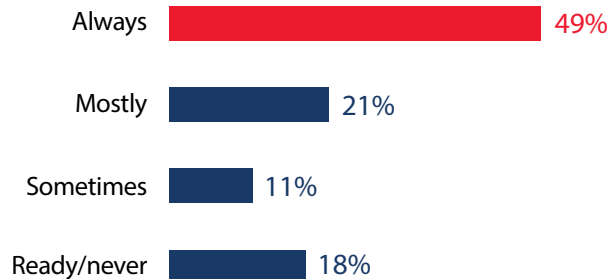
The public health system

Reliance on Medicare and bulk-billing GPs

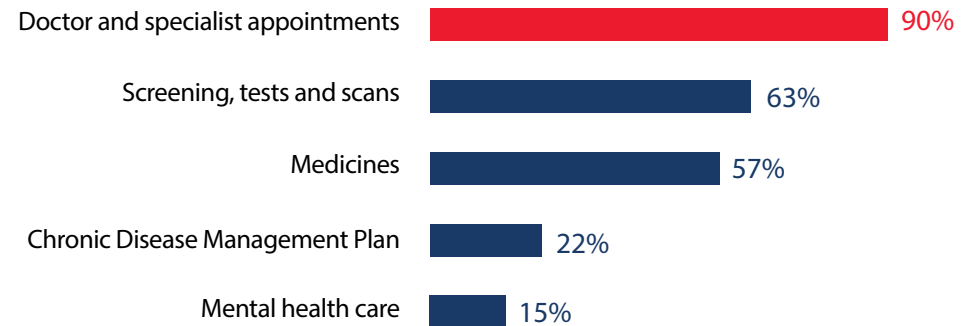
How much do you rely on Medicare (including bulk-billing and the Pharmaceutical Benefits Scheme) to be able to afford health treatments you require?



Do you use bulk-billing GPs?



Which health costs do you tend to rely on Medicare to assist with the most?



- *n=938, seniors reliant on Medicare*
- *Multiple answers allowed, top 5 answers only*

How long do you typically have to wait these days to get an appointment with your GP when needed?

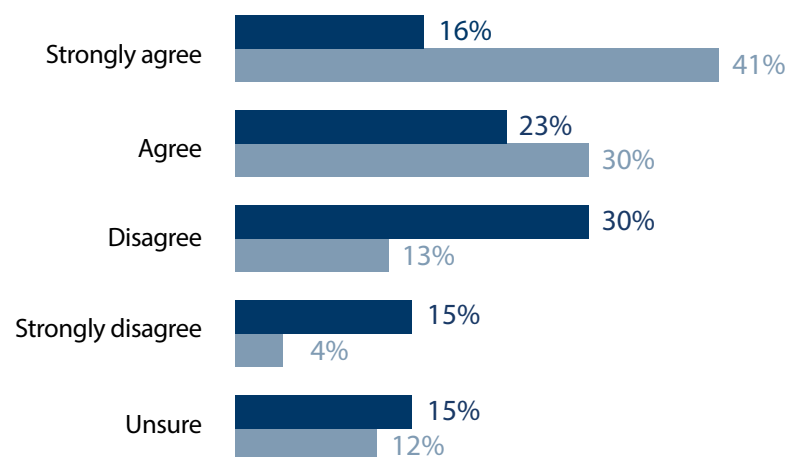


- *n=846, seniors always/mostly bulk-billed*

Around 3 in 5 (60%) are largely reliant on Medicare to be able to afford health treatments they require.

Finding/travelling to bulk-billing GPs is getting harder

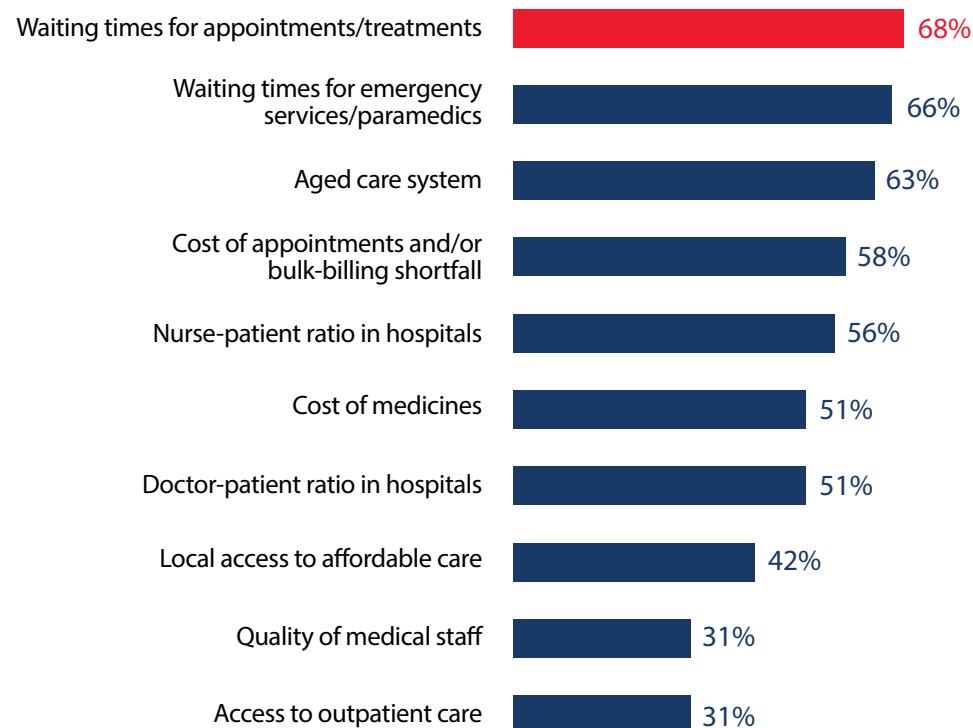
How much do you agree or disagree with the following statements about bulk-billing?



- I have to travel some distance to find bulk-billing GPs that are affordable/have acceptable waiting times
- It's getting harder to find doctors who provide sufficient bulk-billing/affordable gap payment

Around 7 in 10 (71%) agree it's getting harder to find doctors who provide sufficient bulk-billing/affordable gap payments. Just under 2 in 5 (39%) agree they have to travel some distance to find bulk-billing GPs that are affordable/have acceptable waiting times.

What do you feel are the greatest issues facing the Australian healthcare system in 2022?



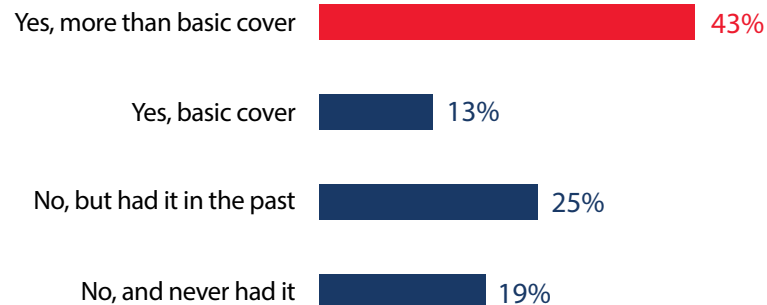
■ Multiple answers allowed, top 10 answers only



Private health insurance

Benefits of having private health insurance

Do you currently have private health insurance?



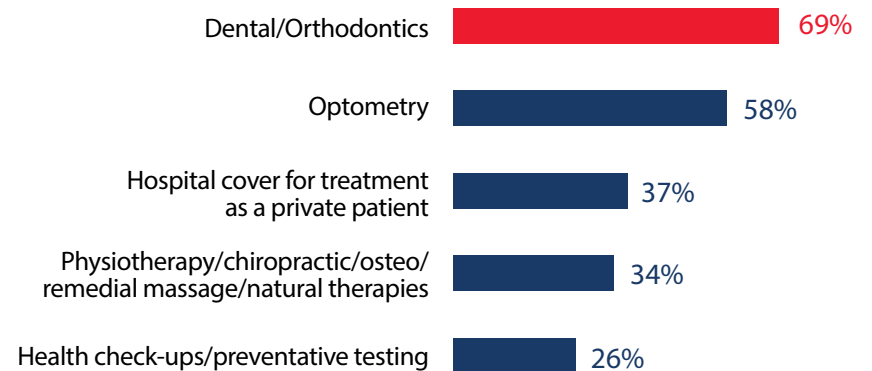
How many times do you typically claim on your private health insurance policy each year on average?



5 times

- *n=672, have private health insurance*
- *Outliers removed from analysis*

Which specific benefits do you tend to use the most?

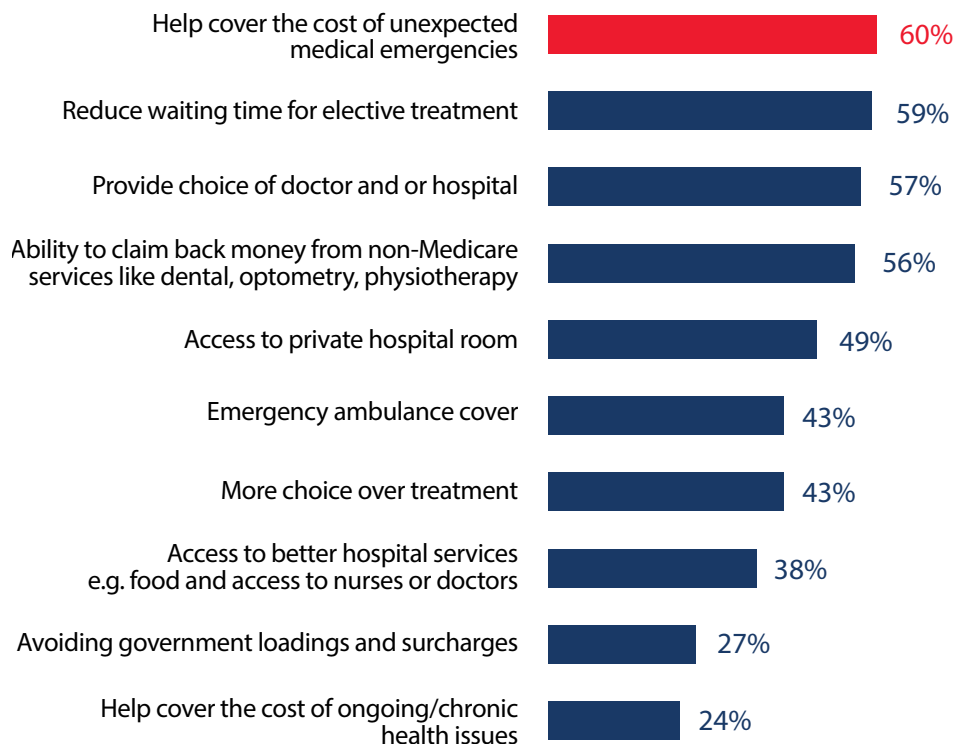


- *n=676, have private health insurance*
- *Multiple answers allowed, top 5 answers*

Just over 2 in 5 (43%) have private health insurance with more than basic cover. Around 1 in 10 (13%) have private health insurance with basic cover. The average number of claims on private health insurance policies each year is 5. The benefits that are used the most are dental/orthodontics (69%), optometry (58%), and hospital cover for treatment as a private patient (37%).

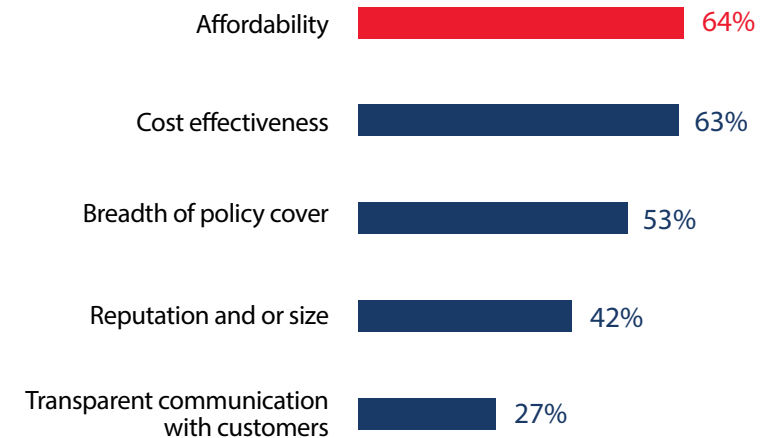
Reasons for private health insurance

What are the key reasons you have private health insurance?



- *n=676, have private health insurance*
- *Multiple answers allowed, top 10 answers*

What are your top choice drivers when selecting a health fund?



- *n=676, have private health insurance*
- *Multiple answers allowed, top 5 answers*

The key reasons that over 50s have private health insurance include helping to cover the cost of unexpected medical emergencies (60%), reduced waiting times for elective treatment (59%), and choice of doctor and/or hospital (57%).



More of the Australian Seniors Series coming soon...

About Australian Seniors

Australian Seniors launched in 1998 to meet the needs of the often-ignored over 50s market. Since then, we've helped countless Australians protect the most important things in life – whether it's their family's future, valuable assets, or even their long-planned retirement.

We strive to be different through the diverse offering of our life, funeral, car, home & contents, landlords, pet, and travel insurance products by carefully selecting underwriters that share our vision of providing insurance that's simple, easy to understand, and cost-effective. That's why our policies have helped everyone from hard-working over 50s to self-funded retirees take control of the things that matter most.