

MODULE 1: Introduction to Private Health Insurance and the role of accounting

This section aims to increase participants' awareness of private health insurance, including products and components of the insurance cycle. It provides a wide overview into a number of concepts specific only to the health industry including but not limited to:

- Stakeholders and key players
- Private Health versus Medicare
- Government need for Private Health Insurance
- Private Health Insurance Act 2007 and key features
- Alliances
- Rebate
- Access Gaps
- Lifetime health cover
- Medicare Levy Surcharge
- The role of insurance Accounting
- Common sources of revenue and expenditure
- How Insurance accounting is different
- Basic principles of insurance accounting

MODULE 2: Products, Services and Premium Accounting

This module aims to provide participants a deeper understanding of the products and services offered by Private health insurers, how premiums are determined and accounted for. This includes:

- Products and Services, including information statements, and tiers of coverage
- Overview of community rating and how premiums are set. Community rating versus underwriting.
- Premium rate determination recent reforms
- Acceptance of risk and AASB 1023
- The insurance premium cycle
- Main requirements of premium accounting
- Premium income versus premium revenue, and the earning of premium

MODULE 3: Claims, reserving and risk equalisation

This module covers a broad spectrum of the claims and reserving cycle as applicable for private health insurers. This includes:

- Overview of the claims cycle
- The claims process
- Reserving background and general principles, including purpose and interested parties.
- Accounting requirements with respect to reserving
- General principles of claims reserving
- The link between a case estimate and central estimate
- Data
- Outstanding claims estimation, actuarial methods and uncertainty
- Risk equalisation

MODULE 4: Regulatory environment and statutory reporting

This module covers the broader regulatory environment and reporting requirements relevant to financial reporting for Private Health Insurers. It also introduces other insurance account concepts not covered in earlier modules. This includes:

- Prudential reporting versus statutory reporting
- Further exploration into AASB 1023 and matching principles
- Acquisition costs and deferred acquisition costs
- Liability Adequacy Test and unexpired risk liability
- Investments
- Accounting disclosures
- Insights into AASB 17

MODULE 5: APRA Reporting

This module covers an introduction into the role of the prudential regulator APRA, the legislative framework, Solvency and Capital Adequacy for private health insurers, including;

- HPS 100 Solvency
- HPS 110 Capital Adequacy
- Data collection
- Governance and the roles and responsibilities of the board and management
- Remuneration
- Fit & Proper
- Risk management
- APRA consultation on PHI and LAGIC approach to capital
- What LAGIC looks like
- Introduction to ICAAP

MODULE 6: Management reporting

This section examines the uses of management reporting and its unique features in relation to Private Health Insurance. This includes:

- Outlining the objectives of management reporting for a private health insurer
- Planning & performance management, how organizational value is delivered
- Value drivers
- Where management reporting fits?
- Budgeting and forecasting
- Information in budgets
- Cost allocation
- Key performance indicators
- Profit & loss for management
- Financial and non-financial drivers
- Management reports
- Challenges of management reporting