

Hunter Health Insurance - Capital Position

The Australian Prudential Regulation Authority (APRA) mandates that health insurers maintain an adequate level of capital to ensure that members and the community can trust the fund's ability to meet its financial commitments in any scenario.

As of 30 June 2024, Hunter Health's capital adequacy multiple (CAM) stood at 2.54, significantly exceeding APRA's required minimum (1.0). This reflects the fund's strong capital position.

Below is a table presenting Hunter Health's capital adequacy position as of 30 June 2024:

Capital Position	Health Benefits Fund
Capital Base	
Net Assets	12,614,685
Regulatory adjustments applied in the calculation of Common Equity	
Tier 1 and Tier 2 Capital	102,443
Total Capital Base	12,717,128
Prescribed Capital Amount	
Insurance Risk Charge	2,721,282
Asset Risk Charge	885,325
Asset Concentration Risk Charge	-
Operation Risk Charge	278,209
Less: Aggregation Benefit	(581,237)
Adjustment to prescribed capital amount as approved by APRA	1,696,421
Total Prescribed Capital Amount	5,000,000
Capital Adequacy Multiple	
Total capital base divided by Total Prescribed Capital Amount	2.54