

## INDEPENDENT AUDITOR'S REPORT

To the Private Health Insurance Administration Council

### Scope

We have audited the attached quarterly statistical returns (Form PHIAC 1) of

\_\_\_\_\_ Registered Health Benefits Organisation (the Organisation) for the four quarters ending 30 June 2006. The management of the Organisation is responsible for the preparation and presentation of the PHIAC 1 returns and the information contained therein. We have conducted an independent audit of the PHIAC 1 returns in order to express an opinion on them to the Private Health Insurance Administration Council (Council).

The PHIAC 1 returns have been prepared so that Council may record the Organisation's membership and benefits information for reinsurance and statistical purposes. We disclaim any assumption of responsibility for any reliance on this report, or on the PHIAC 1 returns to which it relates, to any person other than Council or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the PHIAC 1 Returns including the systems and procedures used by the Organisation to process and maintain membership records and benefits paid. These procedures have been undertaken to form an opinion as to whether, in all material respects, the PHIAC 1 Returns are presented fairly in accordance with the provisions of the National Health Act and the reinsurance principles approved by the Minister for Health and Aged Care.

The detailed program adopted to carry out the audit is:

- (a) that provided by Council with PHIAC Circular No. 06/09 or
- (b) an alternative program that provides similar checks and levels of accuracy.

(Include relevant statement)

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion:

- (1) the information contained in the PHIAC 1 Returns accurately reflect the data contained in the books and records of the Organisation, and
- (2) the books and records of the Organisation have been accurately compiled so as to fairly state:
  - (a) the number of single, family couples and single parent family contributors to the tables of the Organisation;
  - (b) the number of persons covered by policies held by contributors to the tables of the Organisation; and
  - (c) the Organisation's reinsurance Benefits and Total Benefits paid during the quarterly periods.

in accordance with the provisions of Sections 73BB and 73BC of the *National Health Act 1953* and the reinsurance principles approved by the Minister for Health and Aged Care.

- A. Where the Organisation received a qualified audit report in relation to the previous financial year we have examined the issues identified and are satisfied that the organisation has taken the appropriate steps to rectify the matters raised in that report.

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