



Australian Government
Private Health Insurance
Administration Council

Circular

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MAKING 'TRUE AND CORRECT' STATEMENTS IN RELATION TO PHIAC RETURNS

The PHIAC 1 and PHIAC 2 Returns require signed declarations by one or more Officers of the Private Health Insurer that the information contained in the returns are "true and correct".

PHIAC considers that the information contained in these returns is "true and correct" when the following items are present:

For PHIAC 1 Returns:

- That the policies and persons accurately reflect the true number and category of policies and persons as at the end of the quarter;
- That the benefits paid and utilisation of services reported for the quarter by treatment type, age of claimant etc. accurately reflect the actual benefits paid and services utilised during the quarter.

For PHIAC 2 Returns:

- The information contained in these returns has been prepared in accordance with the requirements of the *Private Health Insurance (Health Benefits Fund Administration) Rules 2007*, particularly in regard to the Solvency and Capital Adequacy Standards contained therein, and
- The information contained in these returns corresponds accurately with the fund's accounting systems and records for the reporting period, and
- Where applicable, the information contained in these returns corresponds with audited financial statements.

Due to the nature of the PHIAC 2 Annual Returns, a large proportion of the data may be extracted from already audited sources. Materiality for the purposes of the PHIAC 2 returns should be calculated independently to that than applied for the purposes of the Corps Act accounts. Guidance on the application of materiality is given in the Solvency Standard (Part 4, Clause 12), and the Capital Adequacy Standard (Part 4, Clause 12).

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