



Australian Government

**Private Health Insurance
Administration Council**

Circular

Circular No 12/01

Replaces Circular: N/A

3 January 2012

Capital Adequacy Standard – Interest Rate December 2011

PHIAC has determined that the interest rate applicable for the calculation of the renewal option amount to be applied by all private health insurers for the quarter ended 31 December 2011 is **3.430%** per annum.

The investment earnings rate as prescribed in clause 25, Schedule 3 of the *Private Health Insurance (Health Benefits Fund Administration) Rules 2007* is **2.430%** per annum, being 100 basis points lower than the Government bond rate.

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