New Zealand Society of Actuaries (Inc)

Health Committee Newsletter: March 2022

COVID-19 in New Zealand

Ministry of Health latest update

The Ministry of Health website provides the latest updates, information, and advice.

COVID-19 (novel coronavirus) | Ministry of Health NZ

It includes:

Information on COVID-19 for the public including testing, contact tracing, self-isolation and use of masks and face coverings.

COVID-19: Health advice for the public | Ministry of Health NZ

Vaccination update: The Novavax vaccine was approved for use in NZ on 9 March and the AstraZeneca booster interval was shortened to 3 months on 28 February.

As at 17 March 2022, 95% of the eligible population in NZ were fully vaccinated, with 73% boosted. NZ's Māori population had 88% of those eligible fully vaccinated and 59% boosted.

COVID-19 vaccines | Ministry of Health NZ

Data and statistics related to COVID-19 in New Zealand including cases and testing rates, and news and media updates. The update on daily cases for 18 March 2022: 14,128 community cases, 943 people in hospital; 25 in ICU; 5 deaths. The majority of cases (97%) were confirmed using a Rapid Antigen Test (RAT), with 10.8 million RATs distributed in the 7 days to 15 March.

COVID-19: News and media updates | Ministry of Health NZ

COVID-19 Omicron outbreak: importance of vaccine mandates

A leading surgeon says New Zealand's vaccine mandates have been the key to keeping COVID-19 deaths low and our hospitals running smoothly.

COVID-19 Omicron outbreak: Leading surgeon says Kiwis blissfully unaware about importance of vaccine mandates | Newshub

Hospitals cut back on surgeries as Auckland's Covid-19 cases rise

Two Auckland hospitals have called off large numbers of planned operations as nursing numbers drop and Covid-19 cases rise. Hundreds of people will miss out on operations or procedures.

Hospitals cut back on surgeries as Auckland's Covid-19 cases rise | Stuff.co.nz

New Zealand Health System Changes

Health reform transition hits key milestones in 2021

Key milestones in the health reform transition were met in 2021, including establishing the two interim entities Health New Zealand and the Māori Health Authority. Health Reform Transition Unit Director Stephen McKernan said 2022 will be a critical year that will lay the foundations for the country's future health system. The focus is on "ensuring the transition to the new health system is undertaken with minimal disruption to the health workforce".

Incoming Chief Executives

Fepulea'i Margie Apa, Chief Executive of the interim Health New Zealand, and Riana Manuel, Chief Executive of the interim Māori Health Authority, were welcomed to their new roles in February 2022.

Localities in the new health system

A key feature of the new health system is a local approach to the planning and service delivery of health services using localities. A locality is, essentially, a geographic area that makes sense to the people that live there. It might follow iwi or rohe lines, or it might follow a similar boundary to current regional or local councils. As a mechanism within the health system, it will support integrated care and enable services to be planned to address the needs of people within the locality. The Health Reform Transition Unit and interim entity Health New Zealand have begun planning for the second phase of localities.

Other news items on the Health system changes can be found on the Government's Future of Health website.

Private Health Insurance

How the pandemic has pushed life & health cover into the limelight

More and more people in New Zealand are turning to insurance amid a world of uncertainty brought about by the continuing coronavirus pandemic. Numbers published by the FSC point to yearly growth in both lines of business, with an additional 92,000 signing up for life insurance in 2021, while those with health coverage increased by 30,000 during the year, lifting the total amounts to 4.2 million and 1.4 million, respectively.

How the pandemic has pushed life & health cover into the limelight | Insurance Business New Zealand (insurancebusinessmag.com)

Strong year for health insurance sector in 2021

In all, the health insurance sector paid out nearly $1.5 billion in claims in 2021, an increase of $121 million on the previous year, while the number of New Zealanders holding health insurance grew by 30,000 over the same period.

Strong year for health insurance sector in 2021 - Good Returns

The shortfalls of PHARMAC and why the public system simply can't shoulder it alone

Rob Hennin, CEO of nib New Zealand discusses the shortfalls of the PHARMAC system when it comes to providing for Kiwis who are dealing with serious illness, and how private health insurance can help to bridge the gap for accessing life-saving medicines that Kiwis need.

The shortfalls of PHARMAC and why the public system simply can't shoulder it alone | Stuff.co.nz

nib to acquire Kiwibank's insurance arm

Australia-based insurer nib holdings, through its New Zealand subsidiary, will acquire Kiwi Insurance for $45 million.

nib to acquire Kiwibank's insurance arm | Insurance Business New Zealand (insurancebusinessmag.com)

Accuro CEO reveals COVID-19's impact on health insurance

Accuro Health Insurance chief executive officer Lance Walker, who joined Accuro during the COVID-19 pandemic last year, said the pandemic's most immediate impact was that hospitals were not performing elective surgeries during the lockdown. As a result, Accuro saw lower claims during the second quarter of 2020, then higher claims towards the end of the year.

Insurance boss reveals COVID-19's impact on health insurance | Insurance Business New Zealand (insurancebusinessmag.com)

International

COVID-19 – International update

The John Hopkins University COVID-19 dashboard reports that globally, as of 18 March 2022, 5:20pm, there have been 466 million confirmed cases of COVID-19, including more than 6 million deaths and more than 10.7 billion vaccine doses have been administered.

Estimating excess mortality due to the COVID-19 pandemic

Mortality statistics are fundamental to public health decision making. Mortality varies by time and location, and its measurement is affected by well-known biases that have been exacerbated during the COVID-19 pandemic.

This recently published article in the Lancet aims to estimate excess mortality due to COVID-19 in 191 countries and territories from 1 Jan 2020 to 31 Dec 2021.

By Dec 31, 2021, global reported deaths due to COVID-19 reached 5·94 million, but the estimated number of excess deaths was nearly 3·07-times (95% UI 2·88–3·30) greater, reaching 18·2 million (17·1–19·6). The global all-age rate of excess mortality due to the COVID-19 pandemic was 120·3 deaths (113·1–129·3) per 100 000 of the population.

https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(21)02796-3/fulltext

The future of health insurance amid new normal world

As the world begins to re-emerge from the Covid-19 pandemic, extended periods of lockdown, working from home and limited travel have had a profound impact on how people live, and will continue to live, for some time to come, says Peter Gibbons, global head of individual and small group business at Allianz Partners, Health.

The future of health insurance amid new normal world (internationalinvestment.net)

International trends for Private Medical Insurance in 2022 and beyond

As managing the impact of COVID-19 continues globally, David Healy, CEO EMEA at Aetna International has taken a deep dive into recent developments across the sector, to identify trends that private medical insurers can expect to see in 2022 and beyond.

International trends for Private Medical Insurance in 2022 and beyond (internationalinvestment.net)

Environmental Issues, Climate Change and Biodiversity

XRB Consultation on TCFD Reporting

Progress is being made in New Zealand on the details for the first round of Task Force on Climate-Related Financial Disclosures (TCFD) reporting. The External Reporting Board (XRB) has completed the first round of consultation on the first components of the detailed reporting standards. The second and more substantive round of consultation will commence on 16 March 2022. Four topics are expected to be included: Strategy disclosures, Metrics and Targets disclosures, Materiality, and Assurance for GHG emissions.

The programme of XRB work on climate related disclosures.

XRB also provides background guidance and resources for TCFD reporting.

Ministry of Health Carbon Footprint

The Ministry of Health (MoH) has released the first baseline report and inventory of greenhouse gas (GHG) emissions. The base year was set as 1 March 2019–29 February 2020, to avoid the impacts of COVID on the baseline.

The MoH aims to measure, manage, verify, and report on emissions annually; reduce GHG emissions and implement a reductions plan by end of 2022 with a 1.5°C target reduction pathway; and achieve carbon neutrality by 2025.

Commentary: While the report is long overdue and indeed welcome, it deals only with areas where the MoH has direct control over the sources of emissions, and so excludes emissions of District Health Boards (DHBs), emergency services, general practice, and other contracted entities in the health sector. Currently only seven of the 20 DHBs report and certify their emissions annually, so there is still a great deal of work to be done to determine the emissions profile for the entire health sector in New Zealand.

WHO Report Nature, biodiversity and health: an overview of interconnections

The ongoing depletion of natural resources not only affects environmental conditions but also has an enormous impact on the well-being and security of societies.

This new report provides an overview of the impacts of the natural environment on human health

New IPCC Report on Impacts, Adaptation and Vulnerability

The Intergovernmental Panel on Climate Change (IPCC) Working Group II (WGII) contribution to the Sixth Assessment Report (AR6) was released in March 2022. The report, "Climate Change 2022: Impacts, Adaptation and Vulnerability" follows on the earlier WGI report, "Climate Change 2021: The Physical Science Basis", released August 2021. The third report, from WGIII on mitigation, is expected in April 2022, with a synthesis report covering the work of all three groups due in September 2022.

The adaptation report provides sobering reading. The Chair of the IPCC said: "This report is a dire warning about the consequences of inaction". And there is a narrowing window for action.

The UN Secretary-General used unusually strong language at the release of the report (text and video):

> "I have seen many scientific reports in my time, but nothing like this. Today's IPCC report is an atlas of human suffering and a damning indictment of failed climate leadership. …Nearly half of humanity is living in the danger zone – now. Many ecosystems are at the point of no return – now. … The facts are undeniable. This abdication of leadership is criminal. The world's biggest polluters are guilty of arson of our only home." "Today's report underscores two core truths. First, coal and other fossil fuels are choking humanity. … The second core finding from this report is slightly better news: investments in adaptation work."

A summary of the health impacts from climate change includes (Summary for Policymakers, SPM.B.1.4):

- Climate change has adversely affected physical health of people globally (*very high confidence*) and mental health of people in the assessed regions (*very high confidence*).
- In all regions extreme heat events have resulted in human mortality and morbidity (*very high confidence*).
- The occurrence of climate-related food-borne and water-borne diseases has increased (*very high confidence*). The incidence of vector-borne diseases has increased from range expansion and/or increased reproduction of disease vectors (*high confidence*).
- Animal and human diseases, including zoonoses, are emerging in new areas (*high confidence*).
- Water and food-borne disease risks have increased regionally from climate-sensitive aquatic pathogens, including Vibrio spp. (*high confidence*), and from toxic substances from harmful freshwater cyanobacteria (*medium confidence*).
- Although diarrheal diseases have decreased globally, higher temperatures, increased rain and flooding have increased the occurrence of diarrheal diseases, including cholera (*very high confidence*) and other gastrointestinal infections (*high confidence*).
- In assessed regions, some mental health challenges are associated with increasing temperatures (*high confidence*), trauma from weather and climate extreme events (*very high confidence*), and loss of livelihoods and culture (*high confidence*).
- Increased exposure to wildfire smoke, atmospheric dust, and aeroallergens have been associated with climate-sensitive cardiovascular and respiratory distress (*high confidence*).
- Health services have been disrupted by extreme events such as floods (*high confidence*).