



Southern Cross Medical Care Society

2023 Annual Report – Summary



Murray Jordan
Chair
Southern Cross
Medical Care Society



Nick Astwick
CEO
Southern Cross
Medical Care Society

Chair and Chief Executive foreword

Tēnā koutou katoa

It is clear New Zealanders value their health more than ever as we see another year of strong growth for our Society. Over the year to 30 June 2023, we welcomed 31,929 net new members to Southern Cross Health Society, taking us to a total membership of 940,105 – our highest membership since 1992. More people understand having health insurance can support them to live well for longer.

We are encouraged by the number of new business customers investing in their people, with 223 new businesses joining us this year. As a consequence, they are investing in New Zealand's productivity.

We are well on our way to being with one million New Zealanders by 2025.

The strength of our brand further demonstrates the trust and loyalty New Zealanders place in Southern Cross. Being recognised by our members as easy to do business with is very important to us. This year, the level to which members would advocate for us to their friends and family is a market-leading 'net promoter' score of +52.6. This year we were also delighted with the news that Southern Cross has moved into the top 10 in Kantar's prestigious Corporate Reputation Index ranking.

Last year we committed to return some of the \$90 million surplus we had made in the last financial year (1 July 2021 –30 June 2022) by keeping the level of premium increases as low as possible. We honoured this commitment in the year to 30 June 2023, which resulted in the Society Group incurring a deficit of \$16.5 million.

In the year to 30 June 2023, more than 88 cents of every dollar received in premiums was returned to members in claims. The average rate of return among other New Zealand health insurers is 66 cents in the dollar. To provide more context, if Southern Cross paid 66 cents in the dollar, we would have paid out around \$327 million less in claims.

Over the year we paid out \$1.295 billion in claims from \$1.466 billion received in premiums. While we make up 60 per cent of the health insurance market, we pay 72 per cent of the value of all health insurance claims paid in Aotearoa New Zealand¹. This is the Southern Cross difference and illustrates the value we provide to you, our members.

Our organisation exists to serve you. We are committed to earning our position as your trusted health insurer, providing

assurance that access to healthcare is there when you need it.

Our members have told us how much they value unlimited virtual GP consultations with CareHQ, mental health consultations with Raise and access to an annual check-up with MedPro. More than 20,000 members accessed virtual appointments via CareHQ over the past year, more than double the year prior. Not only does this relieve pressure on busy general practices, but telehealth also helps deliver healthcare solutions more quickly when you can't see your usual GP. All these initiatives helped members to get on top of any issues quickly, and back to their day-to-day lives.

We continue to invest in the Society to ensure it is a high performing organisation, ready for whatever the future may throw our way. This year, we have invested in modernising our systems to help our members 'self-service' their health insurance policies. Launched this year is Manage My Cover, which illustrates what premiums may look like if the member decides to change their plan as well as demonstrating how adding an excess (between \$500-\$4,000 for example) can reduce premiums.

¹Southern Cross makes up 60.1% of the health insurance market. Based on data provided by the Financial Services Council and including an estimate for nib.

The high inflationary environment, tight labour market and investment in modernising our systems has driven our costs higher over the year, and we are very careful in these times to focus our investment on areas that deliver value to members.

As a member-driven organisation we want to do what is right by you, and if we fall short of this commitment we own up and put things right. This year we identified a number of members who did not receive a discount to which they were entitled. We apologise to all members who were affected by this. We are well down the track of putting this right, remediating those affected, and have made changes to ensure this doesn't happen again.

The Society continues to adapt to ongoing regulatory change in our sector.

The Conduct of Financial Institutions Act (CoFi Act) will require our teams to apply for a new license with the Financial Markets Authority. We are very supportive of the intention of the CoFi Act, which aims to serve the interests of all New Zealanders, ensuring all financial services providers conduct their business in a way that is fair to all customers. We are dedicated to maintaining the highest

standards of governance, transparency, and accountability in every facet of our operations.

We are also preparing to deliver climate-related disclosures in FY24, a mandatory requirement for larger insurers and other large financial services providers.

As a result of recent changes to the Reserve Bank of New Zealand's (RBNZ) interim solvency standards, we are required to keep more capital in reserve. Given we cannot raise capital or borrow funds, this means we will need to generate higher than normal surpluses in the coming years to act as a financial buffer.

The additional capital requirement comes at a time when we have a cost of living crisis and higher inflation impacts on our operating and claims costs. We will do our best to ensure that premium increases are kept as low as possible and encourage you to look at options online or to consult one of our Member Services team to ensure your health insurance with us remains affordable.

Our strategy is focused on delivering to our purpose of empowering you, our members to live well for longer. We are committed to ensuring that Southern Cross Health Society, through its product

and service offerings, remains relevant to you, and that in partnership with our healthcare providers, delivers great value healthcare.

Our thanks to our Board of Directors for their insightful counsel, collaborative spirit, and a shared commitment to delivering on the Society's vision and purpose: funding quality healthcare for our members. We particularly acknowledge outgoing Director Catherine Drayton for her 10 years of outstanding service to the Society.

We also would like to express gratitude to the entire Society team and our healthcare providers for the commitment and focus they show every day to deliver the best experiences for our members.

To our members, thank you for giving us the opportunity to support you in your health and wellbeing needs. The entire Southern Cross Medical Care Society team looks forward to another year of serving you.

Murray Jordan
Chair
Southern Cross
Medical Care Society



Nick Astwick
CEO
Southern Cross
Medical Care Society







Financial performance Health Society Group

The Southern Cross Health Society Group (**Health Society Group**) comprises Southern Cross Medical Care Society (the **Society**), and its subsidiaries including Southern Cross Pet Insurance Limited and Southern Cross Benefits Limited trading as Southern Cross Travel Insurance.

Health Society Group has reported a deficit of:

\$16.5million

- \$44 million is our operating loss², partially offset by a \$29 million gain on investment returns.
- As signalled last year, we committed to return some of the \$90 million surplus we had made in the last financial year (1 July 2021 – 30 June 2022) to Health Society members, by keeping premium increases low. We honoured this commitment in the year to 30 June 2023, **which resulted in the Health Society reporting a deficit of \$5.4 million.**
- Health Society subsidiaries also reported a \$5.4 million deficit.
- The remaining balance relates to intergroup transactions which eliminate on consolidation.

Group Reserves (net assets)

\$597.3million

Despite the small loss this year, the Health Society Group has total net assets (assets less liabilities) of \$597.3m. These reserves, along with our strong market position, not-for-profit ethos and strong brand presence has helped the Health Society retain its **A+ Standard and Poor's financial strength rating³**

A+ Standard and Poor's
financial strength rating

² The operating loss excludes tax and interest expense, which total \$1.5 million in FY23.

³ S&P Global is a trusted source of information for the international business community. Its "ratings analysis" assesses the potential direction of a long-term credit rating.

We're with you – the Society at a glance



940,105

members - net increase of
31,929 from last year

We cover almost 1 in 5 New Zealanders



We paid over

72%

of the value of all health
insurance claims paid in
Aotearoa New Zealand⁴



We make up

60%

of the health
insurance market⁵



On average we processed
13,600 claims and **paid out**

\$5.2 million

every business day

\$1.295 billion

in claims paid out of

\$1.466 billion

received in premiums

Out of every **dollar**
received in premiums,

88.4¢

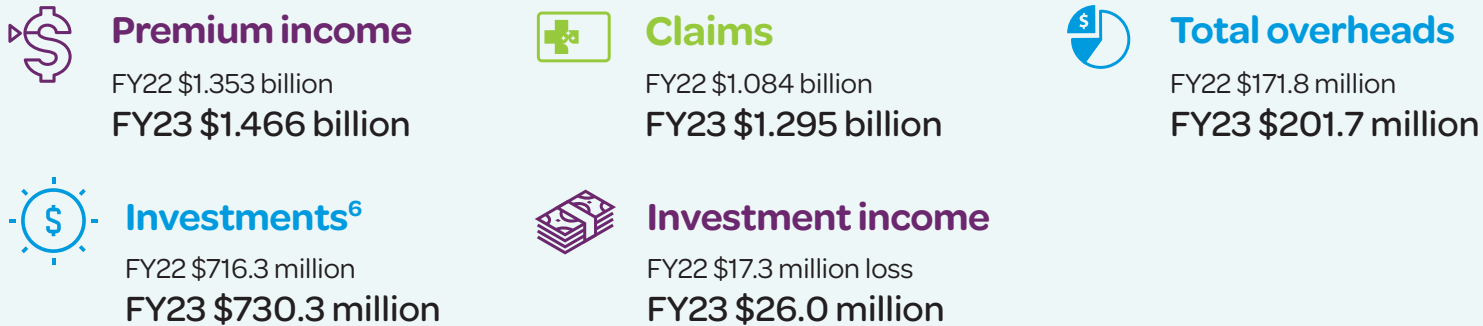
was paid in claims, compared to an industry
average (excluding Southern Cross) of 65.9
cents. That's **\$327 million** more paid to our
members than the industry average.

⁴ Southern Cross pays over 72% of the value of all health insurance claims paid in New Zealand. Based on data provided by the Financial Services Council and including an estimate for nib.

⁵ Southern Cross makes up 60.1% of the health insurance market. Based on data provided by the Financial Services Council and including an estimate for nib.

Health Society

Summary of financial position



The numbers quoted above relate to the Health Society only, and therefore cannot be directly tied to the Health Society Group financial statements.

⁶ This includes investments in subsidiaries such as Southern Cross Pet Insurance and Southern Cross Travel Insurance.

Value for Health Society members



3.4 million claims in FY23, including:

- 293,204** surgical procedures (up 14.3%)
- 568,768** specialist consultations (up 9.4%)
- 620,533** prescriptions (up 7.1%)
- 729,846** GP visits (up 15.5%)



Most common procedures by amount paid: (GST inclusive)

- | | |
|---|---|
| Knee replacement
\$60.3 million | Spinal fusion
\$40.6 million |
| Colonoscopy
\$59.9 million | Skin excisions
\$39.3 million |
| Hip replacement
\$59.2 million | |

Digital services are making it faster and easier for members to manage their health insurance

- **3,624 Easy-Claim providers** (up 5.8 % from last year) facilitated 909,564 purchase transactions (an increase of 160,523), eliminating the need for members to claim back for health services
- **466,498** members registered to use the **MySouthernCross** online service (up 8% from last year)
- **6,025,338** total logins to **MySouthernCross** (up 33%)
- More than **99% of claims** are now submitted electronically.

The numbers quoted above are for the Health Society only.

How we work with ACC on behalf of our members



The Southern Cross Member Advocacy team provides an advocacy service, at no charge, to our members who may have been incorrectly declined cover by the Accident Compensation Corporation (ACC) in relation to:

- a personal injury caused by accident
- medical treatment injury
- work-related gradual process injury.

The team guides and represents members through the process of an ACC review, providing knowledge of the system. Members are supported with the goal of having their ACC decline

overturned and the treatment funded by ACC. If successful, members can request backdated compensation and other entitlements from ACC.

Melanie* is a 45-year-old who has been working as a farmer for 30 years. Due to heavy work over many decades, she developed tennis elbow, a condition that causes pain in the elbow and forearm.

She filed a work-related gradual process injury claim with the ACC, New Zealand's no-fault injury compensation scheme. However, her claim was declined by ACC. An independent occupational physician advised there was no supporting literature identifying farmers as an occupational group at elevated risk of tennis elbow. This was a problem because she needed surgery fast.

Because ACC had declined her claim, Melanie was able to make a claim for her surgery through Southern Cross. Based on her policy, she quickly received approval. She also contacted the Southern Cross Member Advocacy team to check if she may have been incorrectly declined by ACC. The team reviewed Melanie's declined claim and decided that ACC just needed more information and began

investigating. They were happy to find precedent for farmers having been considered an occupational group at elevated risk of tennis elbow.

The Member Advocacy team put through a thorough and concise review application along with the findings from their investigations and ACC approved the claim. The whole process only took two months. Melanie is very happy with the result. She will now receive three months of weekly work compensation, physiotherapy, and is eligible for other ACC entitlements and ongoing care. The cost of the surgery will be reimbursed to Southern Cross Health Society from ACC and will go towards keeping the cost of premiums down for all members.

*Name withheld



John Capper

Our member John Capper is grateful for the help he received from the Southern Cross Member Advocacy team with his declined ACC claim. The team produced a great result that made a real difference in his life. The Member Advocacy team walked alongside John, helping him navigate what can feel like a daunting claiming process.

To see how the Member Advocacy team helped John, watch [John's short video](#).

It matters who is ‘with you’ when it comes to your health

With nearly one in five New Zealanders as members, the Society takes its responsibility for delivering better access to healthcare services to a whole new level.

This year to help our members get the best value out of their membership, we expanded the benefits of membership⁷ to include:

- Unlimited standard online GP consultations with CareHQ which helps members get on top of health issues quickly, with no cash outlay
- Up to three complimentary online mental health sessions each policy year with Raise Mental Health who are experts in counselling across a wide range of issues
- One annual health check each policy year for members over 16 years of age with MedPro – helping members identify improvements they can make to their health to enable more healthier years.



6,912

online mental health sessions with Raise



6,324

annual health checks with MedPro



20,663

virtual GP consultations delivered via CareHQ

⁷ Subject to change. Terms & Conditions (incl limits) apply.

Raise support in difficult times



Kaye Whittle

Back in March 2022, Kaye received an email from the Society letting her know she could access three free counselling sessions to support better mental health. This was part of the comprehensive package offered by the Society to help members through the stress and uncertainty of the pandemic. Although Kaye was under a fair bit of pressure herself, she never thought about taking up the offer, thinking there were others who needed help more than her.

Fast forward a few months and the combined stress of temporarily losing work, ongoing personal issues, and anxiety over the escalation of overseas conflict began to take a toll on her. She knew something had to change.

Kaye then remembered the Society’s offer and she immediately contacted the team at Raise Mental Health.

The Society’s helpful resources and support (and her close friends) helped Kaye turn things around. She now has a happier life, a great job and renewed energy for her music in a covers rock band.

“Thank you, Southern Cross, for providing that counselling at a critical time for me – and I imagine, for lots of other reasons, for many of your customers. I have always had excellent service and support from Southern Cross, and I’m so glad I’m with you.”

Helping Waikato Tainui kaumaatua keep covered with HealthEssentials



Charlie and Rona Ella Paekau

Waikato-Tainui partnered with the Society in 2022 to offer health insurance to 14,000 kaumaatua and help facilitate better health outcomes for iwi members.

Waikato-Tainui offers an annual medical grant to its 14,000 registered kaumaatua aged 60+ to provide relief and support in meeting age-related medical costs. Kaumaatua can choose to apply the grant to a Southern Cross HealthEssentials policy which provides a level of cover for some day-to-day healthcare services.

This year, the Society enhanced its HealthEssentials policy with greater

value and new benefits, including cover for rongoaa Maaori health services. The changes are designed to ensure the policy continues to help to meet the day-to-day health needs of policyholders, including kaumaatua.

Waikato-Tainui General Manager Heritage and Identity, Glenda Taituha, said the 80,000 strong iwi has always prioritised investment in its people, particularly when it comes to their health.

“Our kaumaatua are the connectors of our people, and if they better understand health and wellness, then they can bring the whaanau along on the journey. It’s vital that our kaumaatua receive more culturally appropriate and supportive care. We see this partnership as a step towards achieving that. Amohia ake te ora o te iwi. The health and wellbeing of our people is paramount.”

A healthy workforce is an engaged and happy workforce

What our Workplace Wellness Report 2023 tells us about New Zealand business

A healthy workforce is an engaged and productive workforce. Our recent Workplace Wellness report has shone a light on what New Zealand businesses are doing to support their people to be healthy and well at work and in their personal lives.

The Society runs the biennial research project in partnership with BusinessNZ to take the pulse of health and wellness activity in workplaces. This year’s results, from the biggest response in the survey’s 12-year history, show most organisations are prioritising wellbeing. But there’s no escaping they are doing so in very challenging times, where the cost of living and inflationary pressures throughout the economy are almost universally New Zealanders’ key concerns.

Southern Cross recognises that good health is priceless, including mental, physical, and social health, and is encouraged by some of the key findings in this year’s report:

- employers are increasingly taking a proactive stance on workplace wellness in their day-to-day operations
- and more and more organisations have processes in place to support team members suffering from stress including employee assistance programmes, flexible working, diversity and inclusion policies and practices, mental wellbeing training and support for parents juggling working from home and caring for children

STAY HOME

89%

of organisations surveyed ensure steps are taken towards creating a culture that endorses staying at home if unwell

Keeping well in the workplace – member Tracey Price

Many businesses across New Zealand understand that to be successful in a competitive environment they need to invest in their greatest asset – their people. Tracey is fortunate enough to be one of those people working for an organisation which prioritises the health and wellbeing of its people. As part of her employee benefits with Western Bay of Plenty District Council, she receives a health insurance policy with the Southern Cross Medical Care Society.

Tracey recently had a medical condition and needed medical attention. She was understandably concerned about the prospect of surgery but found the whole process to be far easier and less stressful than she anticipated.

“The process of receiving pre-approval and cover for my surgery took away a whole lot of stress during a situation that had the potential to become very stressful. I am super grateful that my new job provided me with medical cover. It

also taught me a very quick lesson and I immediately got cover for my husband as well. Thank you for making the process so easy.

“The support staff (both nurse and administration) were all very professional and kind. The doctor was very professional and gave me complete confidence in him. The treatment I received on the day of my surgery made me feel at ease and very lucky that I was sent to that particular clinic for my surgery.”

Thanks to the support of her employer and Southern Cross, Tracey’s feeling much better, and she’s reported that her health has improved significantly.

Keeping us with you for longer

There’s no doubt that the cost of living and inflationary pressures are New Zealanders’ key concerns at the moment. We know how pressing these financial issues are and, in the face of this, finding ways to reduce expenses has become a top priority for many families across the country.

Next year the level of our premium increases will be higher than they have been in the past, due to the increasing cost of healthcare, the volume of claims we are seeing, as well as regulatory requirements. The new RBNZ interim solvency standards mean we will need to keep substantially more funds in reserve that we have before.

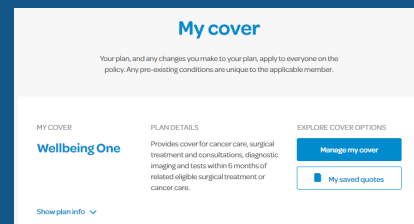
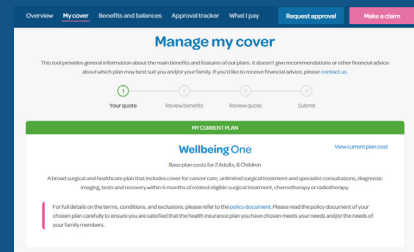
See below for examples of how much can be saved in premium by increasing an excess on a WellbeingOne plan.

WellbeingOne	You: 66 year old	Partner: 64 year old	Total annual saving*
Excess	Annual saving*	Annual saving*	
\$500	\$582.28	\$499.14	\$1,081.43
\$1,000	\$970.47	\$831.91	\$1,802.38
\$2,000	\$1,552.76	\$1,331.05	\$2,883.81
\$4,000	\$2,135.04	\$1,830.20	\$3,965.24

Please note: only the premium for your base WellbeingOne plan is affected by taking an excess and it doesn’t apply to any modules you may have. *Savings are indicative and will be equal to or more than the values shown.

While our team is always here to help assess members’ current health insurance needs, we encourage those who are concerned about their ability to pay premiums to use the new Manage My Cover tool inside the website version of MySouthernCross to explore options on their current plan.

Manage My Cover compares plans and illustrates what premiums may look like if the member decides to change their plan as well as demonstrating how adding an excess (for example \$500-\$4,000) can reduce premiums.



How much does Healthcare cost?

The average age of our membership is **40**

Here’s what our 40-year-old members pay each fortnight in premiums*

HealthEssentials	KiwiCare	RegularCare	WellbeingOne	WellbeingTwo	UltraCare
From \$19	From \$33	From \$44	From \$41	From \$72	From \$99

*Based on a 40-year-old non-smoker as of July 2023. Prices are GST inclusive, rounded to the nearest dollar and include a 2.5% direct debit discount and 10% health lifestyle joining reward on eligible plans.

How much do healthcare procedures cost?

Here are some common procedures we fund⁸



Adults

Skin cancer removal:
\$300 - \$2,300

Prostate cancer surgery:
\$23,000 - \$28,800

Knee replacement:
\$26,300 - \$32,000

Hip replacement:
\$25,100 - \$30,800

Varicose veins:
\$5,100 - \$8,600



Children

Grommet surgery:
\$2,300 - \$3,000

Tonsil removal:
\$4,800 - \$7,300

Squint correction:
\$5,200 - \$9,100

Breast cancer surgery:
\$8,100 - \$24,900

Colonoscopy:
(with or without associated procedure):
\$2,100 - \$3,600

Heart valve replacement surgery:
\$69,100 - \$87,100

Endometriosis surgery:
\$9,900 - \$24,900

⁸The procedure costs quoted above relate to the Society only. Costs are GST inclusive, indicative and sourced from 2022-2023 claims data.

With communities



In the latest independent review by Mindquip⁹, teachers are seeing increasingly positive behaviours and attitudes in their students, while negative thoughts and behaviours have reduced markedly.

Being a responsible and community-minded business is at the core of what we do. We strive to support public health and wellness along with diversity, equality, and inclusion. With Southern Cross Healthcare we are proud to support *Pause Breathe Smile* and *Round the Bays*.

Pause Breathe Smile helps our children develop life-long skills to navigate everyday ups and downs. To date the programme has reached 122,000+ children, 8,645+ educators in 425+ schools. *Pause Breathe Smile* was developed in New Zealand in partnership with the Mental Health Foundation. In June 2023 we welcomed former NZ Director General of Health, Sir Ashley Bloomfield, as a mind health ambassador for this highly effective programme.



As champions of health and wellbeing, this year, we were proud to sign on as naming rights partner for New Zealand’s largest fun run, *Round the Bays*.

After two years of cancellations, a glorious day in March greeted more than 20,000 participants at the start line in Auckland. Those who trod the Tamaki Drive course were joined online by around 12,000 people elsewhere in the world who ran a virtual version of the event.

⁹<https://www.mindquip.com/page/research>

Our team

As a major employer with a commitment to our people’s health and wellbeing, we work to support our employee community too.

Our workforce represents the people we serve

When it comes to diversity, representation, and inclusion, we have now had our Diversity, Equity and Inclusion (DE&I) strategy in place for five years. Powered by a DE&I Forum of 43 employees, we have a vision to create an accountable and inclusive workplace where everyone belongs. We’re incredibly proud to have held the Rainbow Tick for five years.

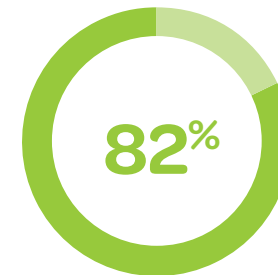
We continue to develop our inclusivity commitments, including our focus on te ao Māori through on-site language classes, tikanga Māori resources for meetings, and cultural competency training. Part of how we embed

diversity, equity, and inclusion metrics is by using engagement surveys and regular gatherings; allowing us to better understand how we are tracking and serving our community at work.

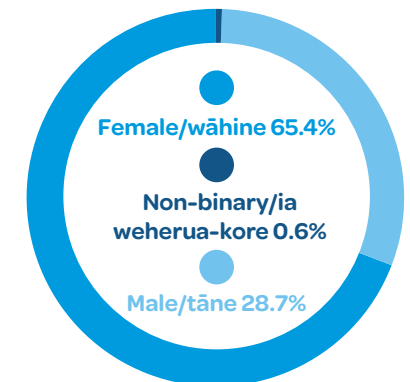
We’re incredibly proud of our employee engagement score, which this year is 82%, compared to a national average of 67%¹⁰.

We continue to capture diversity, equity, and inclusion information as part of our onboarding process and this year our reporting shows that our people represent 74 ethnicities.

We have an overall gender split of 65.4% female/wāhine, 28.7% male/tāne and 0.6% non-binary/ia weherua-kore. This distribution is shown across all levels within the business with 87.5% of our executive team, 55% of our senior leaders, and 65% of our people leaders being female.



Employee engagement



¹⁰ SCBS Culture Amp Employee Engagement Survey, March 2023

Introducing: Southern Cross employee Pat O'Connor

Many members will have been helped by the wonderful Pat O'Connor who has been with Southern Cross Health Society for 49 years. We think it's a milestone well worth celebrating and for members to be able to put a face to the name.

"Listen, care and genuinely like people." That's Pat O'Connor's mantra, and it's the way she's worked in all her 49 years with Southern Cross Health Society.

"I honestly wouldn't change a thing. I'm incredibly passionate about making a difference and I've been able to do this in this amazing organisation," said Pat when we caught up with her about her lengthy and varied career.

"When I started out, I really didn't expect to end up where I did or to have the opportunities I've had. From day one on 22 April 1974, when I was hired to work in accounts, I've had so many different roles including administration, in travel, claims, to now when I field calls from members about their policy and treatments. All the way through I have had a wonderful time working with some very supportive people. I also get to share my knowledge and experience with my team."

"A former Society CEO once said to me, that we will always be judged by how well we help our members when they need treatment and they make a claim.

I have had the privilege of helping many members. I honestly believe Southern Cross Health Society makes such a difference to our members' lives. I have relationships with some members which go back for many years, and I have seen first-hand how we've helped change their lives for the better."

Pat is fascinated by how Society has innovated through the years. "Setting up our first call centre was really exciting – it meant we could be even more responsive and help our customers more easily. Prior to this we had a telephonist and a switchboard who would put calls through to each department."

"I can recall in the early 70s how every claim was assessed manually, we calculated the benefits and then had a data entry person to key them in. We wrote cheques! One by one.

"Then we got our first computer, oh the excitement. The computer sat on a 'Lazy Susan' shared between four people who had to queue up to use it. Now I speak with members and the team over a computer

with a headset and all our records are updated immediately."

With a smartphone app to file a claim and Affiliated Providers who link up with Southern Cross to automate claims, a member's journey is now unrecognisable compared to when Pat started her career.

Pat relishes initiatives the Society has put in place to support their employees. "I have always felt respected, valued and supported by the Society team, from the five CEOs I have worked for through to the people who work alongside me. I love our Switch2Well programme which encourages us all to be fit, well and healthy – we are truly living the values we espouse as an organisation."

Pat has certainly made a difference to our members and to the wider Southern Cross Health Society team. We celebrate her outstanding commitment, and we should all be guided by her mantra – listen, care and like the people we connect with.



Environment

Clean land, water and fresh air are essential to our collective health and wellbeing, so care for the natural environment continues to be a priority for the Society. As the largest health insurer in Aotearoa New Zealand, we have a responsibility to make positive, impactful changes towards environmental sustainability.

We are proud to be part of the Toitū carbonreduce certification process. Our first certification dates back to 30 June 2019. Since then, we have been on a journey to enhance the scope of our activities to have a broader impact on our environment and to improve how we measure and report on our work.

Climate-related disclosure regime

The climate-related reporting regime introduced recently requires some large financial institutions, including the Society, to produce climate-related disclosures. The first set of climate-related disclosures are due in 2024.

The aim of the climate reporting regime is to support the allocation of capital towards activities that are consistent with transitioning to a low-emissions, climate-resilient future. As a reporting entity, the Society must consider the effects of climate change in strategy development and decision making, and in risk management practices. We are also required to set 'science-aligned' targets in relation to our own emissions, and to measure emissions across the Society's supply chain.

We are working towards these requirements, and we look forward to sharing our first set of climate-related disclosures with our members in 2024.



Governance

Southern Cross Medical Care Society is a Friendly Society registered under the Friendly Societies and Credit Unions Act 1982. Our core business is providing health insurance for our 940,105 members. The Society's subsidiary entities provide life insurance, travel insurance, and pet insurance services.

The Society's business and affairs are run by the Society's Trustees and the Society's Board of Directors. The Trustees hold all the Society's property assets, for the use and benefit of the Society and its members in accordance with the Rules of the Society. The Board of Directors is responsible for the administration, management and control of the Society. Accordingly, the Board sets the strategic direction and objectives for the Society, identifies and manages risks, and strives to continuously improve performance, always seeking to operate in the best interests of members.

The Trustees and the members of the Board are elected by members at the AGM. The Board Chair is elected by the Board.

The Board has adopted a corporate governance framework that it believes is appropriate for the size and nature of the Society's operations. The Board reviews and assesses governance structures

and processes regularly to ensure they remain appropriate and effective and are consistent with best practice standards.

The Board seeks to ensure that its corporate governance principles, policies and practices are consistent with the corporate governance principles embodied in the Financial Markets Authority's Corporate Governance in New Zealand Principles and Guidelines 2018 and the Reserve Bank of New Zealand's Governance Guidelines.

Corporate Governance Statement

The Society has published a separate Corporate Governance Statement, which sets out more detailed information about the Society's Trustees, Board and management; the Society's corporate governance policies, practices and processes; and how the Board and various Board sub-committees operate.

The Corporate Governance Statement can be viewed on the Society's website at southerncross.co.nz/society



Our Board



Southern Cross Medical Care Society Board

Left to right: Chris Black, David Bridgman, Julia Raue, Martin Misur, Catherine Drayton, Murray Jordan (Chair), Dwayne Crombie

[Visit our website](#) for full Director profiles.



The Southern Cross Medical Care Society, Registered Office: Level 1, Te Kupenga, 155 Fanshawe Street, Auckland 1010, Private Bag 99934, Newmarket, Auckland 1149

Visit our website southerncross.co.nz/society

Graphics are designed to provide you with a general idea of the cost of some of the benefits offered across our various policies. Not all benefits are available on all policies. For full details of the benefits and maximums for each policy and any eligibility criteria, exclusions, limitations or other conditions that may apply, please refer to the relevant policy document. In some cases, the listed procedures have been described in general rather than clinical terms. Procedure costs will vary depending on the location, medical practitioners, complications, and the medical procedure and technology used.