



Private Health Insurance Changes

The new Private Health Insurance Act was introduced by the Federal Government from 1 April 2007 and there are some aspects of the new legislation that you may be interested in. Peoplecare has been actively involved in consultations with the Federal Government during the development phase to promote changes in the best interests of our members and we fully support the new legislation.

The main changes are:

Broader Health Cover

Health funds can now offer a range of health services as part of your fund membership designed to give you even greater value and improve your access to health services.

Peoplecare will be introducing a range of exciting Member Health Programs in 2007 including:

- **Hospital substitute programs**

To allow for out-of-hospital services to be provided to members where an early discharge from hospital is appropriate. Examples of these would be nursing services to administer intravenous anti-biotics or wound care at home.

- **Disease management programs**

For members with a chronic illness such as heart disease or diabetes or at risk of developing a chronic illness.

- **Health information**

We will also be providing regular general health articles in our newsletter and on our website which focus on preventative health issues.

Peoplecare is also investigating other health programs for our membership and we will communicate all details as the programs are launched throughout the year.

Standard Information Statements

Health funds are now required to produce Standard Information

Statements for each health fund product. They must be provided to new members when they join the fund, to all members at least once per year, and to any consumer who requests one. Standard Information Statements are completed by all health funds in the same format and will make it easier for consumers to compare different products.

The Private Health Insurance Ombudsman has also launched a new website at www.privatehealth.gov.au where consumers will be able to search and download Standard Information Statements.

Peoplecare members will receive Standard Information Statements at the time of joining and then once every year. If you would like a Standard Information Statement at any other time, please contact us.

Single Parent Family status

A change in government policy about how health funds treat Single Parent families has enabled us to review the contribution rates for single parent families and we are delighted to announce that we have reduced the hospital premiums for single parent families by 25% on the hospital family rate. We are one of the first funds in Australia to introduce a lower Single Parent hospital family rate as a result of this new legislation from 1 April this year.

Rates for ancillary cover will remain the same, as there is no significant difference between the average

costs of ancillary benefits claimed by single parent family members when compared to other family member categories.

Peoplecare has also received feedback from some members asking for a reduction in the contribution rate for Couples. We have reviewed these rates and you may be surprised to learn that on average there is little difference between the claims costs for Couples versus those of Families! This means that Couples rates must remain the same as Family rates.

Lifetime Health Cover

Most members will be aware of the Lifetime Health Cover loadings introduced by the Federal Government from 1 July 2000. This was designed to encourage people to take out hospital insurance earlier in life, and to maintain their cover. People aged 30 or under who maintain hospital cover pay lower premiums throughout their lifetime than people who join later. If you join after age 30, you pay 2% more for each year you are aged over 30 on your private hospital insurance than someone who joined at age 30. For example, if you join at 35, you pay 10% more and if you join at 50, you'll pay 40% more.

Changes to the legislation mean Lifetime Health Cover loadings will be removed from your contribution rate after 10 years continuous hospital cover.

Peoplecare Supports the Reforms

Peoplecare believes that these legislative changes are in the best interests of our members and will add even more value to your private health cover, which gives you peace of mind knowing you and your family have more choices when it comes to your health services.

Your hospital cover with Peoplecare gives you:

- Your choice of doctor in a public or private hospital
- More control over when and where you have your medical treatment
- Shorter waiting times for elective surgery
- Relieves the mounting pressure on the public hospital system
- You can also receive financial assistance for services like chiropractic, physiotherapy, dental, optical and some alternative therapies if you have ancillary cover



And you'll have even more access to new treatment and services options with the new Broader Health Cover options and our Member Health Programs being launched soon!



We're on the move!

Many members will have heard about our latest business initiatives including our successful move into the Overseas Student Health Cover market. We have also recently obtained the management rights to a new health fund and will operate this service from our Wollongong headquarters.

These are exciting developments for the fund and will benefit existing members by generating additional revenue, reducing some fund operating costs, and providing additional services to members.

Our business is performing strongly and membership growth along with these new developments have resulted in the expansion of our operations. We have created new jobs for 10 additional staff in the past year and have

outgrown our current office space. The Board has decided to invest in our future growth by purchasing a new commercial property in Wollongong.

Our new office is located in the Victoria Square development in Wollongong's CBD. This property will be a significant asset to the fund in the future and will provide us with the additional space we need to operate the fund efficiently for the benefit of all members. It also has the advantage of being just a stone's throw away from our existing office!

Our big move will take place in the first half of June 2007 and we anticipate a smooth transition with no interruption to member service.

Member Satisfaction Survey 2007

The Peoplecare annual Member Satisfaction Survey for 2007 was held from 5 February until 9 March and we received a staggering 1,023 member responses!

Overall, the results are very positive and have improved on our 2006 results, which is a testament to the hard work of our staff in addressing issues from the annual surveys. The survey measures satisfaction with level of communication, telephone service, written service, website services, claims turnaround, benefits, electronic claiming and other services.

In general, 98% of respondents said they were satisfied with the fund compared with

96% in 2006, which is very pleasing news.

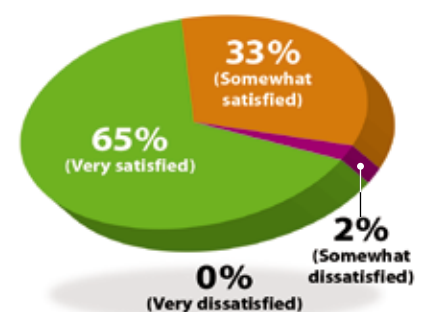
Our next step is to review the full analysis report and as usual, we will develop a project plan to identify any areas of improvement, in line with our commitment to reviewing and further improving our benefits, member service and the total package we offer members.

Thank you to all members who participated and helped us identify opportunities to enhance the value and service we deliver to our members.

The lucky winner of the major prize draw of an iPod 30GB Video was *Don Crack*.

The winners of the Peoplecare Summer Fun Packs were *Robert Westwood, Duncan Low; Anne Jacques, Lisa Fichou, May Yii Sim, Andrew Blaire, Lisa Curtis, Terence Rudd, Elizabeth Castle and Mark Walz.*

Congratulations to all winners and thank you to all members who completed the survey.



Family and Friends...

As a member, you already know about Peoplecare's high quality health insurance and great value for money. Now that we're an open fund, why not share the good news with a friend or family member?

Take up this great offer and encourage family and friends to join. The new member can join online at www.peoplecare.com.au and enter your membership number when requested, or join by telephone on 1800 808 700. All they need to do is mention your membership details at the time of joining.

Here are 10 great reasons your friend or family member will thank you for telling them about Peoplecare:

1. Boutique fund with personal service

Our membership is large enough to have the latest technologies and the most efficient member service capability, but small enough to offer friendly and personal service. You're not just a number to us and an ongoing relationship with members is one of our prime objectives.

2. Excellent Benefits

Whatever your life stage, we provide excellent benefits and coverage for you. We regularly benchmark our ancillary benefits against other health funds to ensure that our coverage is highly competitive.

3. Competitive Products

We provide a range of hospital cover options to help you access quality health services when you need them and for any unexpected surprises.

4. We make it easy

At Peoplecare, we recognise the complexity of health insurance and do everything we can to make it easy for members. This includes helping you work out the best cover for your circumstances, making sure our materials are in 'plain English' and providing personal service to help you through every aspect of your health insurance.

5. Members are our reason for being

Everything we do is in the best interests of our members



and we make sure we offer the best possible member benefits, products and services.

6. National Coverage

We have an extensive national network of more than 450 private hospitals and day surgeries and over 14,000 medical practitioners that have arrangements with the fund. This means you receive high quality health services throughout Australia and the network is designed to help reduce or eliminate out of pocket health expenses.

7. Not for profit

We are committed to retaining our not-for-profit status, while an increasing number of health funds are planning to operate in a for-profit environment.

8. Low overheads

Peoplecare has one of the

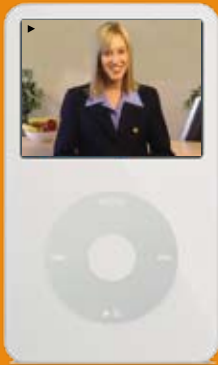
lowest overheads in the health fund industry (less than 8% compared with the health fund average of 9.4%). This means more funds are available to be returned to you as benefits.

9. Financial Security

It is essential that your entitlement to benefits is secure. Peoplecare has been operating since 1953 and we always ensure that our financial strength meets or exceeds the requirements of the private health insurance regulator.

10. Technical Innovation

We take a leading and innovative position on implementing technology solutions that provide service benefits to members while also keeping our administrative costs low.



**WIN an iPod
Video 30GB
valued at \$399**

If your friend or family member joins Peoplecare before 30 June 2007, you and the new member will both receive a distinctive Sports Bag or Back Pack and an entry into the draw to win a fantastic iPod Video 30GB* valued at \$399.



*** Terms and Conditions:**

This prize draw relates to Peoplecare members who refer a friend or family member to Peoplecare and their friend or family subsequently joins the fund, and also the new member who joins as a result of the referral between 1 May and 30 June 2007. The winner will be determined by a random draw, which will be conducted at 12pm on 2 July 2007 at the Peoplecare Office, Victoria Square Wollongong. The winner will be contacted by telephone and their details will be published in the July 2007 Peoplecare Health News. If the winner cannot be contacted within a period of 3 months, a redraw will be conducted under the same circumstances on 2nd October 2007. The promoter is Lysaght Peoplecare Limited (ABN 950 087 648 753). NSW Permit N^o TPL07/04179. ACT Permit N^o TP07/01624.

The new Broader Health Cover options will also add even further value to a Peoplecare Health Insurance membership through the Member Health Programs coming soon.

Electronic - the e@sy way

Thank you to all members who have responded to our campaign to reduce administrative expenses by choosing not to receive a paper copy of the Annual Report. The response has been fantastic so far with almost 2,000 members letting us know that they don't need a paper copy.

If you would like to help us reduce costs by choosing to receive more of your fund communications by email, please provide us with your email address. We already send out the Member Satisfaction Survey by email, and from this issue we've started emailing this newsletter to those members who have provided us with email addresses. Eventually, we hope to email more and more of your fund information to reduce costs and operate more effectively.

Receive more via email

Please choose one of the following methods to notify us of your email address:

Email: info@peoplecare.com.au

Website: www.peoplecare.com.au

Fax: (02) 4224 4300

Mail: Reply Paid address (no postage stamp required):

Peoplecare
Reply Paid 83743
Wollongong DC NSW 2500



Email:

Enter Your details below if you'd like to receive more Peoplecare communications by email.

Membership Number:

First Name:

Surname:

Date of Birth:

Date:



Using our web services is an easy, convenient, cost-effective way of doing business with the fund 24 hours a day, 7 days a week.

Web Services

You may already use our online member services to check and maintain your membership. You can use our secure online services to:

- join the fund
- view membership details
- change membership details
- make credit card payments
- view your claims history
- find a healthcare provider (hospital, Access Gap doctor or HICAPS provider)
- print annual tax statement
- access online newsletter
- download forms and brochures
- order a membership card
- purchase travel insurance
- claim via email (online claiming coming very soon)

WIN a MIO GPS Car Nav System!

All members who provide us with an email address or register for web services before 1 July 2007 will go into a draw to win a fantastic MIO C310 GPS Car Navigation System RRP \$499*. To register, go to www.peoplecare.com.au to start enjoying the convenience of our online services.

* Terms and Conditions: all Peoplecare members who have registered for online services or have provided us with their email address between 1st May and 1 July 2007 will be entered into a random draw, which will be conducted at 12pm on 2 July 2007 at the Peoplecare Office, Victoria Square, Wollongong. The winner will be contacted by telephone and their details will be published in the July 2007 Peoplecare Health News. If the winner cannot be contacted within a period of 3 months, a random redraw will be conducted under the same circumstances on 2nd October 2007. The promoter is Lysaght Peoplecare Limited (ABN 950 087 648 753). Authorised under NSW Permit N° TPL07/04231, ACT Permit N° TP 07/01623.





In response to member feedback asking for more health information, Peoplecare is pleased to introduce a series of general health articles in your Health News and on our website. The first in the series are about successful weight maintenance and preventing type 2 diabetes. We hope you find these articles informative, interesting and useful.

Successful weight maintenance

For some people keeping weight off is a real battle. Much like other health conditions, weight maintenance requires continual, long-term control.

Even after the weight's gone you need to continue the same lifestyle that enabled you to lose it in the first place. But it's not all bad news - many people manage to keep the weight off, and while it may take some hard work and dedication, you can do it too.

US National Weight Control Registry

The National Weight Control Registry in the US is the largest ever study of successful dieters. From 1993 over 5000 registered people have managed to lose at least 15kg and have kept it off for more than two years. The Registry allows scientists to study the behaviours of these successful slimmers to uncover the best strategies for weight maintenance.

The Registry has identified 5 common characteristics. Adopting these strategies is a good starting point.

1. Eat a Low-Fat, High-Carbohydrate Diet

While there's a lot of buzz about high protein, 'low-carb' diets, a diet that makes you outlaw certain types of food is hard to stick to in the long term. A diet that supplies all of the essential vitamins and minerals, and that is not extremely high in fat or protein is much easier to maintain. The Australian Dietary Guidelines recommends a balance of whole grain cereal foods, fruits and vegetables, lean meat and fish, and low or reduced fat dairy products.

2. Exercise Every Day

On average, people exercise between an hour and an hour and a half a day. This may sound unrealistic to some, but the exercise was usually performed at different times throughout the day. Better still, the most common method of exercise is walking, which is very easy to incorporate into the day.

3. Eat Breakfast Every Day

Eating a good breakfast every morning helps to avoid mid morning snacking and overeating throughout the rest of the day. It also boosts your metabolic rate for the day, helping you burn more kilojoules.

4. Keep Track of Your Weight and Eating habits

Experts don't know exactly why it works but it may be that successful dieters use scales as an early warning system. If you weigh yourself on a regular basis you'll immediately notice if you've put on weight and can implement strategies to prevent gaining more. Keeping a food diary can also help you track exactly what you eat and when you eat it.

5. Stress Management

There are identifiable times in life where weight maintenance is more difficult:

- getting married
- having a baby
- retiring from sport
- prolonged periods of stress
- menopause
- festive occasions
- quitting smoking
- changing jobs

Dealing effectively with these situations and taking time out for relaxation and exercise makes you less likely to fall back to the habits that led to your initial weight gain.

Weight maintenance becomes easier over the years, as the strategies become habitual and require less attention and conscious effort.

*Please note: Information in this article is as accurate and up to date as possible but should not be used as a substitute for medical advice
Source: AHM Total Health 2007.*



Preventing Type 2 Diabetes

More than a million Australians have diabetes, but half of them don't know it. Of greater concern is how prevalent the disease is becoming: in the last decade there's been a 300% increase in cases. The most recent data shows 100,000 Australians are developing the disease each year and 70% of them will die prematurely from strokes and heart attacks.

What are the effects of diabetes?

When a person has diabetes their blood sugar levels are much higher than they should be. Among other things this damages blood vessels and nerves, particularly in the eyes and lower limbs, which can lead to blindness and infections (more than half of amputations in Australia are diabetes related). Diabetes also dramatically raises the risk of heart disease and stroke.

But Type 2 diabetes is a lifestyle disease, so changing your lifestyle means you can help prevent or delay its onset. If you have Type 2 diabetes, leading a healthy lifestyle will help you manage the condition and reduce the risk of complications.

Do those extra kilos really make a difference?

One of the biggest risk factors for developing diabetes is being overweight or obese. By reducing weight, you lower insulin resistance, so your natural insulin can do a better job at lowering your blood glucose levels. Studies show that people at high risk for Type 2 diabetes can prevent or delay the onset by losing 5 to 7% of their body weight.

The best way to do this - and to improve a whole host of other health conditions in the process - is to eat healthier and incorporate at least 30 minutes of moderate physical activity into your life most days.

Nutrition

Look for foods that are low in saturated fat and have a low Glycemic Index (GI). The GI ranks carbohydrates according to how quickly they break down and

raise glucose levels in your blood. Low GI foods include:

- *grains and oats*
- *most vegetables*
- *many fruits*
- *pasta*
- *beans and lentils*

Limit high fat/high kilojoules foods and eat small snacks throughout the day rather than letting yourself get too hungry.

Exercise

When you exercise, your body uses more of the glucose in your blood to get the energy it needs. The more active you are, the more glucose your body uses; even after you stop exercising, your blood glucose levels can stay low for several hours.

Exercise is also an important factor in losing weight or maintaining an ideal

weight. If you're taking insulin or other medication that can affect your blood glucose levels, it's important to make sure that you always carry some fast acting sugar, such as jelly beans or glucose tablets with you when you exercise.

Are you at risk?

You're more likely to develop diabetes if:

- *you're overweight or obese*
- *you have high blood pressure*
- *you have high LDL cholesterol (or low HDL 'good' cholesterol)*
- *you exercise less than three days per week*
- *you have a family history of diabetes*
- *you've had gestational diabetes or gave birth to a baby that weighed more than 9 pounds*

See your doctor for more information.

Source: AHM Total Health 2007.



Want More information?

Another useful source of information is Diabetes Australia
www.diabetesaustralia.com.au

