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Accuro and UniMed announce proposal to combine

The Boards of Union Medical Benefits Society Ltd (UniMed) and Accuro Health Insurance Society Ltd (Accuro) have signed a Letter of Intent to transfer the Accuro insurance portfolio to UniMed and combine the resources and capabilities of the two not-for-profit mutual societies. The proposal is subject to the support of Accuro members and regulatory approval by the Reserve Bank of New Zealand.

The proposal would result in UniMed, operating under two brands, becoming the country's third largest medical insurer, representing nearly 10 percent of the market with over 140,000 member customers.

Accuro's Chair, Marion Guy, says the decision was driven by a desire to create greater value and better health outcomes for members.

"Our focus is always on doing what is in the best interests of our members. We believe combining the resources and capabilities of the two societies creates a more sustainable and resilient health insurance offering than Accuro could offer alone.

"Like us, UniMed is a long-standing not-for-profit mutual society and shares our values and ethos. Central to that is returning all benefits to members, and always looking for ways to improve member services and keep health insurance affordable. We believe combining the resources of both organisations will help deliver long-term sustainable and secure benefits for members," she says.

UniMed's chair, Peter Tynan, says the additional scale created by bringing the two organisations together will ensure UniMed is in the best possible position to meet the challenges of increasing member expectations, the rising cost of health services, and the new regulatory environment.

"Our goal is to provide long-term, sustainable and affordable access to healthcare services for members. We strongly believe the proposal will do that. Both organisations share the same philosophy and values with a commitment to our members' health and wellbeing.

"This proposal will provide opportunities to create efficiencies and develop new services and products – something that will be increasingly important given increasing costs and demands for health services.

"Both UniMed and Accuro enjoy high levels of member and staff loyalty, have strong relationships with advisors and intermediaries, and are focused on retaining and strengthening those relationships in the future.

"Both organisations share a vision of improving the health and wellbeing of New Zealanders through better access to affordable healthcare," says Mr Tynan.

The proposed Portfolio Transfer process would combine resources and operations with both brands continuing to operate in the market from their current locations in Wellington and Christchurch.

The Portfolio Transfer proposal is required to be voted on twice by Accuro members at Special General Meetings in October and November. If members agree to the proposal, a formal application will be submitted to the Reserve Bank of New Zealand for approval. Following the portfolio transfer, all Accuro members would become members of UniMed, but existing cover and benefits remain in place.

Accuro and UniMed provided information on the proposal to members today.

Ms Guy says Accuro is focussed on ensuring its members understand the proposal, how they can ask questions, or get more detail to ensure they are able to make a fully informed decision.

“It is important for members to know they will continue to have the same policies and healthcare benefits as they do now, and that the Board strongly believe the proposal to be in their best interests,” she says.

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For further information:

Bella Cartman
SenateSHJ
Mob: 021 490 161
bella@senateshj.co.nz