

# Towards 100, Towards Better!

Annual Report 2024



## Acknowledgement of Country

In the spirit of reconciliation, MDA National acknowledges the Traditional Custodians of Country throughout Australia that MDA National operates on and their connections to land, sea, and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples, for they hold the medical and legal traditions, knowledge, and learnings of Aboriginal and Torres Strait Islander peoples of Australia.

▶ **Dr Tahnee Bridson**  
Psychiatry Registrar  
Member since 2011



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► **Dr Emmeline Lee**  
Radiologist  
Member since 2003

# Year in Review

# The year that was

## Highlights 2023-2024

**46,311**

Members and policyholders

**+16%**

growth in paying Members

(driven by increase in paying Junior Doctor Members)

**7,985**

responses to medico-legal calls

**+49,000**

Member Service enquiries handled

**+5,000**

Members engaging in Education sessions

(live sessions + on-demand learning + webinars)

**17%**

increase in capital reserves

**+**

Initiated the REFLECT Reconciliation Action Plan

**+**

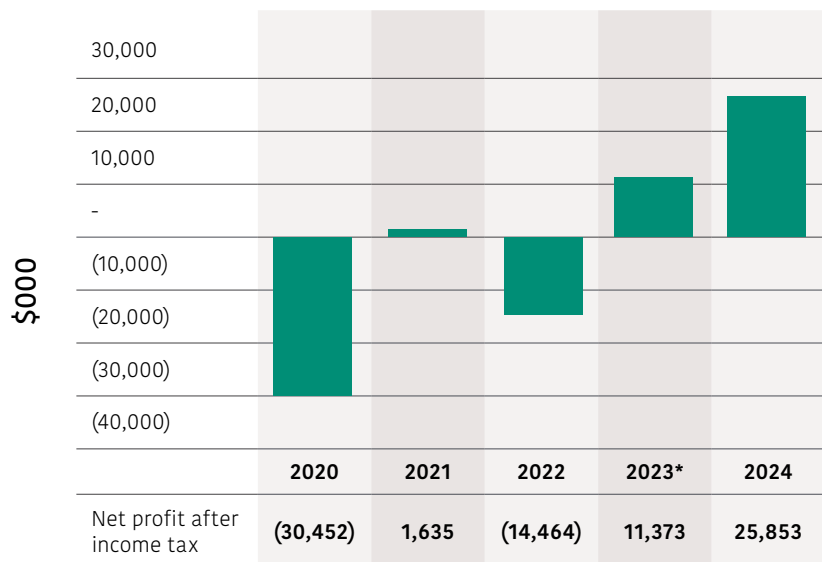
Improved employee culture in alignment with target values, with staff engagement score remaining above industry average

**\$25.8m**

profit

resulting in a 'close to breakeven' profit result of -\$6m over the last 5 years and enabling the replenishment of capital reserves (Members' equity). This year's profit result has been largely driven by improved investment returns following significant negative returns in recent years and, importantly, improved net claims experience.

Net profit after income tax 2020-2024



\*Comparative information has been restated on account of first-time adoption of AASB 17.

# Leadership report

## TOWARDS 100, TOWARDS BETTER!

As we prepare to head into our 100th year of providing personalised support to our Members, it is both an honour and a privilege to lead an organisation that has stood by medical professionals, enabling them to keep on delivering quality care with confidence, knowing they have a trusted partner safeguarding their professional integrity.

We understand that different Members engage with MDA National in different ways. Our role is not just about providing insurance but also fostering a deep, ongoing relationship with our Members. For some, this relationship is strengthened through regular use of our 24/7 medico-legal advice service, whilst others benefit from the support provided during a civil claim or using our highly regarded education programs.

This past year has marked a strong financial recovery for MDA National. Following significant losses in recent years, we are pleased to report that we have delivered a strong profit enabling us to replenish our capital reserves. This result was driven largely by improved claims experience and stronger investment returns.

Prudent financial management is critical to our long-term stability and the financial security of our Members. As a well-capitalised and well-run organisation, we ensure we can meet the future claims liabilities of our Members, not only today but well into the future. Additionally, our financial strength enables us to respond effectively to numerous potential disruptors affecting our business, such as increased plaintiff lawyer activity, the inflationary effects of the NDIS on claims, rising reinsurance costs, increased regulatory requirements, and the continuous evolution of healthcare delivery.

Emerging challenges such as the threat of cybercrime also demand our attention and resources.

Beyond our financial performance, this year we commenced an important program to enhance the technology we use to manage our business. The Connect Program is designed to ensure we continue to adapt to changing Member needs and market conditions, ultimately delivering a better service experience to our Members.

We understand that, for many Members, the primary interaction with us may simply be receiving their renewal notice which can be unwelcomed if it includes a premium increase. We appreciate the pressure that premium adjustments can place on our Members. Our goal is always to balance the impact of our operating environment on Members with the long-term sustainability of the organisation.

Operating in a high-inflation environment has presented challenges to our business, like many others, as the effects of this flow through to higher operating costs.

We have also needed to absorb additional costs associated with regulatory compliance and the important work of ensuring our data is secure and protected from cyber threats.

A key to our financial success has been getting on top of claims, through more robust underwriting processes and closely managing higher-risk Members. Reflecting this, many Members saw a reduction (or only a minor increase) in line with inflation at the most recent renewal. Importantly, we continue to subsidise doctors-in-training as well as those in their

### **Thank you, Ian Anderson**

*On behalf of the Board and Members of MDA National, I wish to thank Ian for his years of service to the organisation. I wish him and his family joy, fulfilment and good health in his retirement. Ian took the reins at a difficult time in the organisation's history. An unsuccessful merger attempt had left many in and around the organisation with battle scars. Under the determined leadership of Ian and Dr Rod Moore, MDA National emerged better and stronger. Ian has had a wonderful career in health, also serving HBF Insurance, SKG Radiology and St John of God Health Care with distinction. He has built a brilliant executive team and strong culture amongst MDA National's workforce across Australia. Thank you, Ian.*

**Dr Michael Gannon**

first few years of private practice. Beyond those groups we continue to work to eliminate cross subsidies between specialties and individual doctors, wherever possible.

We understand that Members will inevitably compare their professional indemnity insurance products with general insurance products. We are frequently asked: “Why don’t you have no-claim bonuses?” In fact, we do. Through an increasingly sophisticated pricing methodology we align individual Member’s risk profile with their premium, so no Member is contributing more than they need to. Another common question is: “Why don’t you have a loyalty discount?”. We know we operate in a competitive environment, but we do not ask loyal Members to subsidise our moves into new segments. Rather, we rely on our reputation of great service to increase our membership numbers.

As we look to the future, we are committed to creating a better and more inclusive future for our people and our community – hence our investment in meaningful partnerships that align with our sustainability and social impact values.

We are deeply grateful to you, our Members, for your continued loyalty. We remain committed to delivering the exceptional service and support our Members have come to expect. And we sincerely thank our Board members, executive team and staff for keeping us on track as we work towards 100 years of service to Members; and towards a better future.

**Dr Michael Gannon**  
President, MDA National

**Ian Anderson**  
CEO, MDA National



## Reflections on the past decade

*When I first became involved in the healthcare sector, almost 30 years ago, the thing that struck me was the care and compassion people in health care deliver every day. While MDA National may not be involved in direct healthcare delivery, the same care and compassion, for our Members in our case, was and still is clearly embedded in the organisational culture. Its strength is even more empowering due to the mutual ownership structure of the group.*

*During my almost 10 years of service at MDA National, we have faced two major challenges – both very different, which happened around the same time. The first was an unexpected increase in Members’ claims experience, which applied financial pressure to the organisation and resulted in a need to increase their insurance premiums. This required focused and careful management by the Boards, our staff and our reinsurers to preserve our capital, protect our Members, and then rebuild our reserves.*

*The second challenge was the COVID-19 pandemic. While this did not have a significant financial impact on the organisation, it did have a massive impact on our Members who were personally at the frontline of helping the community deal with its effects. Supporting our Members took on a new urgency at a time when operational logistics and effectiveness were put under extreme pressure. The way my MDA National colleagues responded to this crisis was impressive.*

*It has been a privilege to work with so many dedicated, focused and skillful people during my brief stewardship of this longstanding organisation. I have learnt an enormous amount and have hopefully been able to contribute to its current strength and future prospects.*

**Ian Anderson**

# Our Board members

The directors on our Mutual and Insurance Boards provide extensive leadership and significant industry experience.

A warm welcome to our new Board members: Dr Denise Glennon and Mr Gary Dransfield.

Mutual & Insurance Board



**Dr Michael Gannon**  
President, Mutual Board  
MBBS, MRCPI, FRANZCOG,  
FAICD, FAMA

Mutual & Insurance Board



**Mr Terry Agnew**  
Insurance Board Chair  
BE (Hons), MSc, MBA, FAICD, SF Fin,  
FAIM, HonDUniv (Curtin)

Mutual Board



**Dr Simon D Benson**  
Vice President, Mutual Board  
MBChB BSc (Hons) MRCGP FRACGP

Mutual Board



**Dr Andrew Wesseldine**  
Chair of Finance, Mutual Board  
MBChB (University of Auckland),  
FRACP, GAICD, MBA

Mutual Board



**Dr Mellissa Naidoo**  
BSc (Hons I) BMBS DCH MHM  
FRACMA CHE FCHSM GAICD CHIA

Mutual & Insurance Board



**A/Prof Michael Hollands**  
MBBS, FRACS, FRSC, FACS, DHMSA

Mutual Board



**Dr Christine Pascott**  
MBBS, FRACGP, MPH, MHLM,  
GAICD, CHIA

Mutual Board



**Dr Denise Glennon**  
MBBS, FRACP, CCD, GAICD  
(from Nov 2023)

Mutual Board



**Dr Genevieve Yates**  
MBBS (Hons), FRACGP,  
MBA (Leadership)

Insurance Board



**Ms Anne O'Driscoll**  
FCA, GAICD, ANZIIF (Fellow)

Insurance Board



**Mr Gary Dransfield**  
GAICD  
(from Oct 2023)

Mutual Board



**Dr Anna Windsor**  
BSc, MBBS (Hons),  
FRACGP, GAICD

We extend a heartfelt thanks to Dr David Gilpin and Mr Steve Scudamore for their dedicated service to MDA National.



## Dr David Gilpin

The 2023 AGM saw the retirement of longstanding Board member, Dr David Gilpin. He has served on the Mutual Board since 2012; has been a member of the Insurance Board since 2021; and a long-term member of the Clinical Underwriting Committee (of which he is Chair) – a role he will continue to undertake. Dr Gilpin's deep understanding of our business and the Australian medical indemnity market, and his passionate advocacy on behalf of the profession, have enabled his significant contribution to MDA National, and the industry more generally, during his tenure.



## Mr Steve Scudamore


Mr Scudamore joined the Insurance Board in July 2012 and held the position of Chair from October 2014 to June 2023. He retired from the Board on 30 September 2023. He was also a member of the Mutual Board from November 2013 to June 2023. During his tenure, Mr Scudamore was a member of the MDA National Group's Audit, Risk, and Capital Committees, and was Chair of the Group Nominations & Remuneration Committee and Chair of the Remuneration Sub Committee until 2023.



MUTUAL BOARD directors' profiles: [mdanational.com.au/about-us/our-governance/governance](https://mdanational.com.au/about-us/our-governance/governance)

INSURANCE BOARD directors' profiles: [mdanational.com.au/about-us/our-governance/insurance-board](https://mdanational.com.au/about-us/our-governance/insurance-board)





► **Dr Ameer Ibrahim**  
*Sports & Exercise Physician*  
Member since 2011

**Towards 100  
years of trusted  
support**



# Support our communities Protect our environment Promote better health for all

MDA National is committed to a better future for our Members, our people and the communities in which we live. As a business that has a footprint across Australia, we want to play a part in addressing global and local challenges, helping shape a more sustainable and inclusive future for the generations to come.

This means that we are investing in meaningful partnerships that align with our sustainability and social impact values, developing new programs to boost our business capabilities, enhancing our cyber protection systems, reinforcing our policies and implementing sustainable practices across our offices to reduce our impact on the environment.

In 2023-2024, MDA National initiated a comprehensive Environmental, Social, and Governance (ESG) plan in line with the principles that have guided us throughout our 99 years of service. Aligning with our purpose of supporting and protecting our Members and promoting good medical practice, we aim to create shared value by connecting social and environmental benefits with our business objectives.

## **Materiality assessment: what matters to our Members and our people**

In 2023-2024, we started planning our ESG materiality assessment to identify the topics that are most significant to our business and stakeholders. This process includes collecting data from multiple sources, conducting interviews with stakeholders, and analysing the information to determine the ESG factors that best support our long-term sustainability. Focusing on what is important to our Members and our people, this process involves our Board, Executive Leadership, Members, and staff.

## **Transparency: our commitment to ethical practices**

Transparency is a key value for our business that guides us towards implementing our ESG strategy. Whether providing advice to a Member or dealing with a claim, we conduct our business activities with honesty and accountability, and that cultivates all our ethical practices, which doctors and partners can always count on.

# Partnerships that matter

With our social impact partnerships, we worked to create positive outcomes that extend far beyond our immediate sphere of influence.

## Binar Futures: making health checks ‘cool’

What started in 2011 as a local basketball team of six Aboriginal youths became an 1800-person program that addresses health, social and economic challenges faced by Aboriginal youth and their families in Western Australia. Binar (the Noongar word for meteor) organises accessible and culturally safe sporting activities for mainly Aboriginal children and people aged 5-20 years in schools and communities in Perth and regional areas, serving as a support system and extended family to everyone involved. Binar Futures offers coaching and leadership programs, helps ease financial hardship in the community, and creates pathways to employment for participants. It also provides free health checks during tournament events and promotes the importance of physical and mental health with the Health Embassy, a pop-up clinic run by a group of volunteer nurses and doctors, including MDA National Members. Commencing in December 2023, MDA National is proud of its partnership with Binar Futures in delivering the Health Embassies. It looks forward to continuing to support and assist Binar Futures with its health initiatives. We have supported the delivery of three Health Embassies in 2023-2024.

622

health checks provided

1070

event registrations

64

issues discovered\*



Health Embassy in Leonora (WA)



*Kids are now getting empowered to be in charge of their own health destiny.”*

**Andrew Vlahov,**  
Executive Chairperson, Binar Futures.

400  
cataract surgeries supported

900  
pairs of sunglasses funded\*

## IRIS Program: eye health and the sunglass-wearing culture

Through our alliance with the Australian Society of Ophthalmologists, we have partnered with Vanguard Health and have allocated annual financial support to the Indigenous and Remote Eye Health Service (IRIS) Program. This initiative aims to deliver 800 cataract surgeries to Aboriginal and Torres Strait Islander people across the Northern Territory by 2025, having already reached the target goal of 400 surgeries in 2023-2024. Through our continued support of IRIS, we funded 900 pairs of sunglasses, which help prevent cataract development in a patient's second eye and encourage a culture of sunglass-wearing as a preventive health intervention within remote Aboriginal and Torres Strait Islander communities.

\*in the 2023-2024 financial year.

## Junior Doctor Bursary: encouraging professionals to ‘go rural’

Supporting doctors to practice in rural Australia is crucial for addressing healthcare disparities and improving access to medical services in remote communities. MDA National has had an ongoing partnership with the Rural Doctors Association of Australia (RDAA) as their major sponsor. Part of our sponsorship involves funding bursaries to support junior doctors to undertake rural clinical placements, attendance at rural health conferences (including the Rural Medicine Australia conference) or attendance at a skills workshop in a rural town. In 2023-2024, RDAA and MDA National provided **7 bursaries** to doctors-in-training pursuing a career in rural medicine. These bursaries not only provide financial support but also attract and retain talented doctors in underserved regions.

## Towards more support

Working towards a future with increased access to healthcare for all, MDA National also commenced a collaboration with Street Side Medics, a GP-led organisation that provides free, mobile medical services to those experiencing homelessness. We look forward to continuing to support all the important work they are doing to fill the gap and make healthcare accessible to our vulnerable communities.

## Closing the gap

MDA National is on a journey that involves greater recognition and engagement with our Aboriginal and Torres Strait Islander Members and communities. We are reviewing and developing our support programs that provide better access to healthcare for First Nations communities.

While we already have links with First Nation peoples, we are formalising this process through the establishment of an Aboriginal and Torres Strait Islander Affairs Committee in 2024. Meeting quarterly, this committee oversees the development, implementation, and review of MDA National commitments

to Aboriginal and Torres Strait Islander health. Comprising of MDA Members, staff and community representatives, it considers health and wellbeing activities, supports initiatives for Aboriginal and Torres Strait Islander practitioners, and guides us through the initiatives in this space. A key activity of this committee is the establishment and implementation of a Reflect Reconciliation Action Plan (RAP) in 2025. The RAP represents our commitment to reconciliation and our desire for a long-term plan as we contribute to the path of reconciliation. Work has already begun with MDA National actively engaging with Reconciliation Australia, attending conferences, liaising with community groups and speaking with Members. We are also working internally on governance matters to better reflect community standards.



► Reconciliation Australia Learning Circle in Melbourne (VIC).

# Supporting Members to give back

Being by our Members' side means they can have peace of mind to be their best and give back to the community.

MDA National safeguards the professional interests of our Members and empowers them to make meaningful contributions alongside their medical practice. With our individualised and responsive support, doctors like Claudine Cerda-Pavia, a Member since 2015 and multifaceted medical professional, can focus on practising with confidence and passion. Claudine is a Doctor-in-Training working as a General Practitioner Registrar, however, her career combines a background in corporate management at multinational companies with dual degrees in science and commerce. Even after her corporate success, Claudine's enduring interest in medical science eventually drew her to pursue a career in medicine.

Claudine is one of the doctors leading the Health Embassy, hosted by Binar Futures in Western Australia and supported by MDA National. Initially approached while working on a Reconciliation Action Plan and Indigenous procurement at the St John of God Group, Claudine was inspired by Binar Futures' vision of creating health check camps at basketball tournaments to potentially save lives.

## Why MDA National

Claudine, who joined MDA National as a medical student, highlights our strong reputation among her peers as a key reason for her continued loyalty throughout her medical career. For Claudine, selecting a medical defence organisation isn't just about coverage; it is also about choosing one with a visible and influential presence in the medical community. "I like corporations that have an understanding of the bigger picture and support projects like our Health Embassies", she says.



*"I absolutely love being a doctor. I'm a people person, and I think there is absolutely nothing more humbling or no greater privilege than someone inviting you into their space at a time when they're the most vulnerable."*

**Dr Claudine Cerda-Pavia**  
General Practitioner Registrar  
Member since 2015

# Cases and Advisory Services (CAS)



*I only have the utmost gratitude for you and Mark for everything you did for me over a long, difficult period of time. You kept me going and were always there for me with your expertise and an understanding ear; and for this I will always be thankful.”*

Paediatrician  
Member since 2011

*Once again, I wish to thank you very much for your ongoing assistance and support to enable me to continue to be of service to my patients.”*

Psychiatrist  
Member since 1990

Every case is unique and we provide personalised support to give you peace of mind.

The Cases and Advisory Services (CAS) team’s purpose is to provide end-to-end support to Members seeking advice or assistance with a medico-legal matter. The experience can be incredibly stressful, and it is important for us to empower and support our Members to enable them to feel in control and confidently deal with situations that arise. We recognise the importance of collegial pastoral support and non-transactional interactions with our Members. In these challenging times, kindness and empathy are crucial and humanising our services is our priority.

Over the last 12 months, we have focused on providing an in-house legal team, enhancing clinical capabilities and streamlining processes to get the best outcomes for our Members. We have a dedicated team selected not only for their depth of experience and technical capabilities but also for their compassion, diversity, and commitment to our guiding principle of Member-centricity.

As MDA National approaches a century of supporting and protecting our Members, we remain committed to enriching our services and prioritising the Member experience in every interaction with our team. We aim to strengthen and enhance the operations of our Cases committees, comprised of clinical thought leaders across various specialties nationwide. The functions of these committees provide invaluable knowledge, experience, and industry insights to our CAS team, as well as vital pastoral support to our Members so they can continue to practice confidently.

## Top 5 reasons Members contact us (2023/2024)



Procedure



General duty  
of care issues



Diagnosis



Legal issues



Medication-  
related



***Central to promoting good medical practice and protecting our Members is advocating on behalf of them to optimise the environment in which they practice.”***

**Philippa Nash**  
Executive Manager,  
Cases & Advisory  
Services (Solicitor)

► **Nerissa Ferrie**  
Medico-legal Adviser



## Advocacy

MDA National has identified the need for a more tailored approach in responding to matters requiring advocacy which affect our membership. This need has led to the creation of an Advocacy Committee made up of MDA National employees from relevant departments within the organisation who can provide input on behalf of Members through a lens of the relevant business unit they work in.

The committee has been established to streamline and enhance the process of receiving, assessing, and providing appropriate responses to medico-legal and associated advocacy issues. This aims to amplify MDA National’s position as thought leaders across the market, strengthening our reputation, value proposition and purpose messaging. The committee collaborates with stakeholders and drives change for the benefit of our Members and the community.

The committee provides the opportunity to identify and calibrate key interdependencies across our Member-facing business units. It focuses on capability uplift and performance enhancement to provide a robust, growth-focused, value-driven, and sustainable delivery model for our Members. The Committee meets as required or bi-monthly.

While the creation of the committee has led to a more formal process for responding to advocacy issues – which was an integral reason for the creation of the committee – it is the benefit of contributions from a diverse range of internal stakeholders which we consider to be an equally important part of the committee’s brief.

Recently, the committee prepared submissions in response to the Medical Board of Australia’s public consultation on the draft revised registration standard for specialist registration. Various concerns were raised about the potential implications of the proposed standard on the membership, including possible repercussions for patient safety.

# Medico-legal support and advice

You can count on our individualised support when you need it most.

As we approach our 100-year anniversary of supporting our Members throughout their careers, we have paused and reflected on how we prepare our team for the next century of Member advice. The variety of medico-legal queries we face is rapidly evolving, as is the demand for real-time advice. As our industry changes, we continue to enhance our medico-legal advisory services to best support our Members.

### Evolving our medico-legal support for the future

The developments in the healthcare sector give us the opportunity to bring new skill sets to offer expert guidance to our Members. Our medico-legal advisers come from a broad variety of medical, allied health, journalism, and legal talent to support our Members on a wide range of cases and ethical dilemmas. Many of our advisers have a clinical background, bringing medical expertise and an understanding that it is important to help support you. With a multidisciplinary approach, each enquiry is responded with expert knowledge tailored to the Member’s specific situation. As we open our doors for new talent, great care goes into who we invite

to the team, with our focus first and foremost being on how we can ensure we best support our Members and practices.

The way doctors contact us is also changing. In addition to extended phone hours (covering business hours across all time zones across Australia), we also provide 24/7 out-of-hours assistance for urgent matters, 365 days a year.

### Understanding industry trends to best support you

In 2023-2024, our medico-legal experts have been attentive to all industry-advancing technologies and updates to best reflect them onto our services.

- ▶ The emergence of AI disruptors, bringing quantum shifts in the practice of medicine (such as AI voice capture consultation software).
- ▶ Working with the emergence of an Ahpra health team, which has allowed significant changes and improvements in the way we deal with health regulatory matters.



*You all have made what could have been an immensely stressful time very easy and manageable. I cannot thank you guys enough.”*

General Practitioner  
Member since 2018

### Top 5 reasons for medico-legal advisory calls (2023-2024)



Advice/Ethical Dilemma



Medical Records



Ending Dr-Pt Relationship



Clinical incident



Employment Issues



# Supporting what matters to you

We tailor our services to support you and meet your individual career needs.

MDA National engaged in 21 national and alliance conferences in 2023-2024, where our team talked to Members face-to-face, facilitated intern teaching sessions led by Members, and helped the knowledge-sharing through presentations and panel discussions. We were also pleased to support Woman in Medicine initiatives in partnership with the Australian Medical Association Queensland and the Rural Doctors Association of Australia.



► Dr Genevieve Yates, RDA CEO Peta Rutherford and Junior Doctor Bursary recipients at the Rural Medicine Australia 2023 conference.

## With you every step of the way

Our Business Development team worked on multiple fronts to assist medical students and early-career doctors to thrive in their professional journey.

- **Medical Students:** We supported medical students across Australia by sponsoring orientation weeks and educating them on the importance of medical indemnity insurance.
- **Equity and Advocacy Programs:** We partnered with the Curtin Association of Medical Students in Western Australia to sponsor on-campus initiatives and academic programs.
- **Doctors in Specialist Training:** We organised numerous events, collaborating with specialists to deliver insightful presentations on critical topics such as risk education, Medicare compliance, informed consent, and risk management in medical practice. Additionally, we provided crucial support to Doctors-in-Training during their pre-exam preparation for the Australian & New Zealand College of Anaesthetists (ANZCA) and Royal Australasian College of Physicians (RACP).
- **Private Practice:** We offered educational support to our Members in private practice groups, empowering them to deliver quality medical care with confidence.

## Support in Practice (SiP)

Our Support in Practice (SiP) team helped Members adjust to industry changes, providing practical advice on topics such as new regulation of cosmetic procedures, psychedelic medications and nicotine vapes; using artificial intelligence (AI); and increased monitoring of doctors' prescribing via real-time prescription monitoring systems.

### Medicare: increased resources to support our Members

With the continuing increase in Medicare compliance activities, particularly targeted compliance (voluntary reviews) and formal audits (Practitioner Review Program), we brought on a new Risk Adviser to further improve our Medicare resources and ensure our Cases and Advisory team and our Members receive quality advice.



*I just wanted to thank you for your feedback and comprehensive review in such a timely manner. Your comments and thoughts are much appreciated and provide many valid points. I will work through each of your comments and review the webinar you have directed me to.”*

**General Practitioner**  
Member since 2009

# Elevating Education into the future

## MDA National Education offerings

### Live sessions

- ▶ face-to-face and online
- ▶ in-house education sessions
- ▶ webinars

### On-demand learning

- ▶ on-demand recordings
- ▶ podcasts
- ▶ e-learning

### Written resources

- ▶ articles
- ▶ case studies
- ▶ fact sheets
- ▶ concise advice

We provide you with the knowledge, skills and resources to thrive in your medical practice.

Our Education Services team's primary goal is to empower Members with the knowledge, skills and resources necessary to navigate the complexities of medical practice, reducing the risk of legal claims and enhancing patient care. We offer a wide array of services, including Continuing Professional Development (CPD) programs, risk management training, ethical and legal education. By providing these resources, we help Members stay updated on medical advancements and adopt safer practices.

In 2023-2024, the Education Services team focused on delivering a range of programs to assist doctors with medico-legal issues commonly encountered in practice. We provided Members the opportunity to attend the popular face-to-face workshops, which focused on supporting doctors build confidence in managing conflict in the workplace, managing professional boundaries, de-escalation of aggressive behaviour and achieving informed consent.

We delivered more resources which included:

### Webinars

- ▶ A Health Practitioner's guide to social media
- ▶ Practicalities of Medicare
- ▶ Understanding changes to the Fair Work Act

### Workshops

- ▶ Best practice in medical documentation and certification
- ▶ Professionalism in practice

### Concise advice

- ▶ Using Artificial Intelligence (AI) tools for record management in doctor consultations
- ▶ A Health Practitioner's guide to social media



Shev Dias  
Medical Student  
Member since 2022

## Education highlights (2023-2024)



555 course completions of on-demand learning

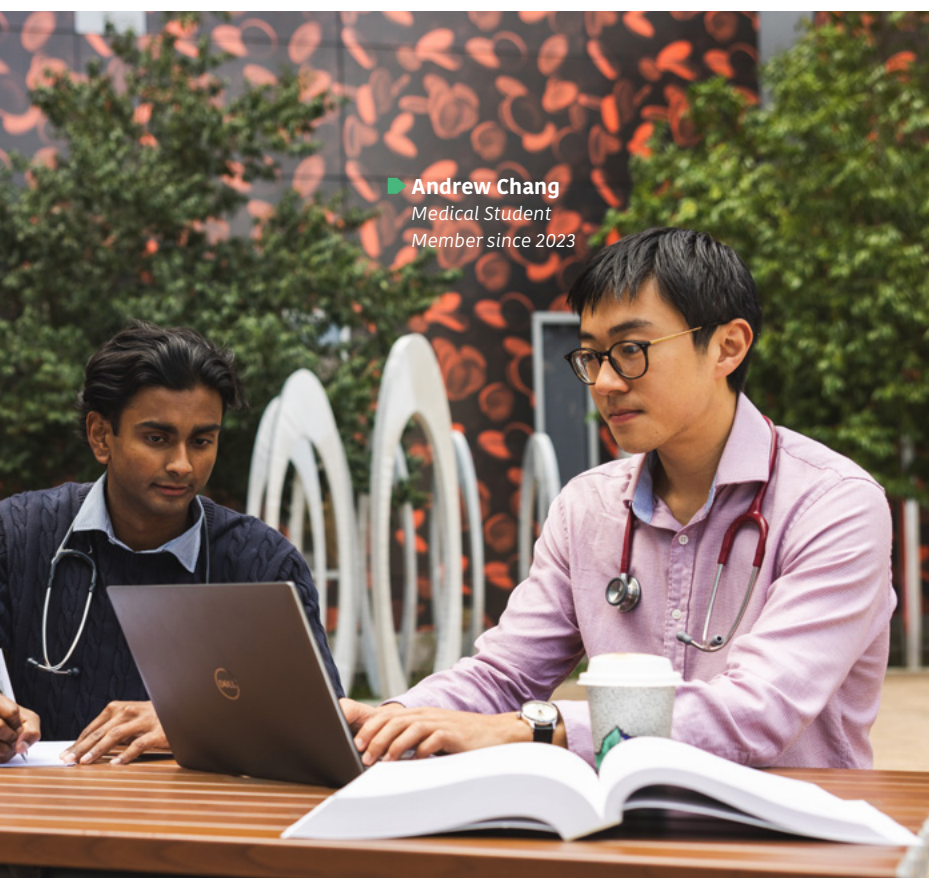


2524 Live session registrations



2247 Interview preparation webinars registrations

# Professional development



▶ **Andrew Chang**  
Medical Student  
Member since 2023

## Introducing MDA National's new Learning Management System (LMS)

In 2024, MDA National launched an advanced Learning Management System (LMS) designed to centralise and enhance the educational experience for our Members. This new platform integrates all of MDA National's educational resources, providing a seamless and user-friendly environment for accessing a wide range of learning programs. Whether Members look to browse, enrol, or revisit learning materials, our new LMS ensures that everything is easily accessible in one place. MDA National's new LMS is designed to support ongoing education and development, ensuring doctors have the tools and resources they need to excel in their medical careers.

## Key Improvements

- ▶ **Streamlined access:** Enjoy simplified access to all educational resources through a single login experience. The system features single sign-on and enhanced security with two-factor authentication via the MDA National Member Online Services portal or the MDA National app.
- ▶ **Comprehensive resource hub:** The LMS serves as a one-stop destination for all educational activities, including e-learning modules, on-demand recordings, live webinars, and online workshops. Members can also register for face-to-face workshops and access a wealth of learning materials and resources. Plus, the system automatically tracks course completions and certificates, simplifying the process of managing Members' CPD.
- ▶ **Enhanced functionality:** Our new LMS offers improved search and filtering capabilities, allowing Members to find content by topic, format, career stage, or specialty with ease. The platform also features a personalised learning space where Members can view all their enrolments and completion records. CPD recognition is now easier to identify, helping doctors stay on top of their professional development.

## Interview preparation and career planning

We continued our interview preparation and career planning webinars as demand for both continues to increase year on year. Doctors-in-Training looking for more clarity in their medical journey can count on this resource to help map out their medical careers. Our Interview Preparation and Career Planning webinars are hosted live by Dr Brooke Bullock and by Dr Ashe Coxon respectively. Members who want to develop the knowledge gained during the sessions can book one-on-one sessions.

# Focusing on the future



► **Dr Vanessa Atienza-Hipolito**  
Radiologist  
Member since 2006

## Our key focus areas



Culture & Capability




Member Experience



Technology Capability



Financial Sustainability



At MDA National, servicing and protecting Members with excellence while promoting good medical practice is at the heart of everything we do. As a trusted partner of doctors across Australia, we pride ourselves on delivering an outstanding Member Experience across all touchpoints. We adapt to the different needs of our Members to improve our services that arise in the environment in which we operate.

“

*Your care and responsiveness is another excellent example why MDA National is the best medical insurer - always above and beyond!”*

**Paediatric gastroenterologist**  
Member since 1999

“

*Support and protect Members and promote good medical practice is our north star and that remains unchanged.”*

**Steve Sheppard**  
Chief Operating Officer

## Culture & Capability: The MDA Way

Having a strong, purpose-driven culture is one of the reasons why MDA National is a preferred choice for doctors looking for outstanding service. To achieve this, we ensure that every member of our team embodies our core values of courage, care, and commitment. We operate in the same company culture, having a clear alignment of business and individual goals, fostering accountability and making sure that everyone is working towards the same vision. We pride ourselves on enabling a collaborative and empathetic space, and we are always investing in the professional development of our people to be better positioned to navigate the evolving medical indemnity landscape and to continue delivering exceptional value to our Members. It is also important to us that we partner with organisations that are committed to supporting good medical practice and better health outcomes for all.

# Member Experience

Every interaction our Members have with MDA National reflects the trust and care we stand for. What sets us apart in the market is our focus on service excellence. In 2023-2024, we aligned our processes across all Member-facing teams to ensure consistency, enhancing our digital platforms for a seamless omnichannel experience. These efforts are all part of our goal to lead in Member Experience and to continue delivering value to our Members in meaningful and sustainable ways.

## Improved our communications

We started the journey to reimagine how we communicate with Members. By evolving how we interact with doctors, we aim to provide ease and reassurance in every message, ensuring they feel understood and supported.

## Increased the speed of query management

We've enhanced our ability to manage and respond to queries faster. By improving our predictive workflow and being more responsive to Members' feedback, we've strengthened our service expectations to ensure Members receive timely and efficient support.

## Empowered our frontline teams

We uplifted service quality with a focus on first contact resolution. This includes new staff training modules that enhanced our system, process and policy knowledge as well as new quality and coaching approaches to service Members effectively at the first point of contact.

## Expanded digital convenience

We've increased our digital engagement to connect with Members through their preferred channels. In 2023-2024, more Members than ever renewed their medical and dental policies online, which sped up the process, reduced mailing costs, supported sustainability, and made the process more convenient for our Members.

## Member Service: proactive shift to digital servicing

In 2023-2024, we saw a proactive shift to digital servicing, including SMS, which helped to reduce the number of calls and service requests. This allowed our Member Services team to attend to enquiries quicker and through the Member's preferred channel. As we move towards 100 years of Member Service, we are committed to continuing this digital evolution, ensuring Members' interactions with us are as convenient and responsive as possible.

*In 2023-2024, we saw our highest result for digital renewal notices across medical and dental policies.*

▶ **Dr Declan Scragg**  
Anaesthetist  
Member since 2014



# Technology Capability

Over the past 12 months, we continued to strengthen our systems capabilities, ensuring adaptability and efficiency, so we can take advantage of emerging technologies to deliver better Member Experience. We aim to deliver solutions that meet the evolving needs of our Members, and by continuously investing in technology, we are better equipped to offer a seamless, forward-thinking experience across all touchpoints.

## Connect: setting Members, staff, and the business for the future

Significant to our technology growth is the Connect Program, a multi-faceted initiative that is set to upgrade our business capabilities using best-in-class solutions, enabling us to be more adaptable in supporting Members, and delivering a tailored experience. Connect will simplify self-service for both Members and staff, providing better access to information, streamlining processes, and improving productivity. We have a dedicated team working on this project, which will enable us to:

- ▶ reduce risks in technology sustainability and simplify processes for Members and staff
- ▶ improve service delivery
- ▶ enhance our governance and reporting systems
- ▶ lower financial risks within our business.



## Financial sustainability

There has never been a more important time to have a financially strong medical defence organisation by your side.

Financial sustainability is central to our ability to support our Members now and in the future. As a well-managed organisation, we ensure that we have the resources to invest and support doctors in the long term, knowing that some claims may arise many years after an event. Our focus is on maintaining robust financial health, so we can continue to provide reliable support for the future of our Members. Operating in an increasingly regulated environment, we are dedicated to enhancing our financial practices and governance to exceed industry standards. Our disciplined approach to financial management not only ensures compliance but also enables us to adapt to industry challenges while continuing to invest in services and innovations that benefit our Members. At MDA National, we remain committed to supporting Members with stability and confidence well into the future.



► **Dr Maria Boulton**  
General Practitioner  
Member since 2003

# Concise Financial Report



## Directors' Report

The Directors of MDA National Limited (MDA National) and its controlled entities (collectively, the Group) present the concise financial report of the Group for the financial year ended 30 June 2024 (FY24) and their report as follows:

### Corporate information

MDA National is medical practitioner owned and operated and offers professional medical indemnity in Australia through its wholly owned insurance company, MDA National Insurance Pty Ltd (MDANL). Founded in Western Australia (1925), MDA National Limited is a company limited by guarantee under the *Corporations Act 2001 (Cth)* and protects the interests of doctor Members in Australia.

### Registered office

Level 3, 88 Colin Street  
West Perth WA 6005  
Phone (08) 6461 3400

#### **RELATIONSHIP OF THE CONCISE FINANCIAL REPORT TO THE FULL FINANCIAL REPORT**

The concise financial report is an extract from the full financial report for the year ended 30 June 2024. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of MDA National Limited and its subsidiaries as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and independent audit report will be sent to Members on request, free of charge.

## Directors and Company Secretary

The names of MDA National's directors and company secretary in office during the financial year and until the date of this report are as follows:

### DIRECTOR

#### Dr M Gannon

MBBS, MRCPI, FRANZCOG, FAICD, FAMA

#### Period in office

Since 15 June 2018

#### Experience

Obstetrician & Gynaecologist

#### Special responsibilities

President (from November 2020), MDANI director, member of the Group's Nominations & Remuneration Committee (Chair from July 2023), member of the Group's Capital Committee, MDANI's Cases Committee (Western/Central) and Clinical Underwriting Committee.

### DIRECTOR

#### Dr D Gilpin

MBBS (Hons), FRACS, GAICD

#### Period in office

Since 2010 until 24 November 2023

#### Experience

Orthopaedic Surgeon

#### Special responsibilities

Vice President (2019-2020), MDANI Director, MDANI Alternate Director (to Dr R Moore, from May 2019 to November 2020), Chair of MDANI's Clinical Underwriting Committee.

### DIRECTOR

#### Dr C Pascott

MBBS, FRACGP, GAICD, CHIA

#### Period in office

Since 2016

#### Experience

General Practitioner

#### Special responsibilities

Member of the Group's Audit Committee (until February 2022) member of the Group's Risk Committee.

### COMPANY SECRETARY

#### Ms J Wright

BEC, AGIA

#### Period in office

Since June 2019

#### Experience

Company Secretarial, corporate administration

#### Special responsibilities

Company Secretary to MDANI.

### DIRECTOR

#### Dr S Benson

MBChB BSc (Hons) MRCGP FRACGP

#### Period in office

Since 16 November 2018

#### Experience

Specialist GP

#### Special responsibilities

Vice President from February 2022, Chair of Finance (from 20 November 2020 to February 2022), member of the Group's Capital Committee, member of the Technology Advisory Committee.

### DIRECTOR

#### Dr D Glennon

MBBS, FRACP, CCD, GAICD

#### Period in office

Since 24 November 2023

#### Experience

Consultant Geriatrician

#### Special responsibilities

Member of WA State Advisory Committee

### DIRECTOR

#### Dr A Wesseldine

MBChB (University of Auckland), FRACP, GAICD, MBA

#### Period in office

Since 20 November 2019

#### Experience

General Physician & Geriatrician

#### Special responsibilities

Chair of Finance from February 2022. Member of the Group's Audit Committee (from February 2022), member of the MDANI's Clinical Underwriting Committee (from August 2020 to August 2021) and WA State Advisory Committee.

### DIRECTOR

#### A/Prof M Hollands

MBBS, FRACS, FRSC, FACS, DHMSA

#### Period in office

2013-2016 and since 2017

#### Experience

General Surgeon

#### Special responsibilities

Chair of MDANI's Cases Committee (Eastern), MDANI director from 24 November 2023

### DIRECTOR

#### Dr G Yates

MBBS (Hons), FRACGP, MBA (Leadership), GAICD

#### Period in office

Since November 2021

#### Experience

General Practitioner, medical educator and leadership roles

#### Special responsibilities

Member of MDANI's Cases (Eastern) Committee since August 2022, MDA National Educator member of the MDAN National Educational Services Advisory Group (ESAG) from 2013-19.

### DIRECTOR

#### Mr T Agnew

BE (Hons), MSc, MBA, FAICD, SF Fin, FAIM, HonDUniv (Curtin)

#### Period in office

Since July 2023

#### Experience

Insurance and Financial Services

#### Special responsibilities

Member of the MDANI Board (Chair from 1 July 2023), member of the Group's Nominations & Remuneration Committee; Audit Committee and Risk Committee; Chair of the Group's Capital Committee.

### DIRECTOR

#### Dr M Naidoo

BSc (Hons I), BMBS, DCH, MHM, FRACMA, CHE, FCHSM, GAICD, CHIA

#### Period in office

Since 16 November 2018

#### Experience

Clinical and specialist medical administrator and leadership roles

#### Special responsibilities

Vice-President (from 20 November 2020 to February 2022), member of the Group's Nominations & Remuneration Committee and Chair of Queensland State Advisory Committee.

Ms Jenny Wright has been the company secretary for the entire period.

Directors were in office for the entire period unless otherwise stated.

## Directors' meetings

The number of meetings of directors (including meetings of committees of directors) held during the year, and the number of meetings attended by each director is as follows:

Director	Directors' Meetings		Audit Committee		Capital Committee		Nominations & Remuneration Committee		Risk Committee	
	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held
Dr M Gannon	6	6			4	4	5	5		
Dr M Naidoo	6	6					4	5		
Dr S Benson	6	6			4	4				
Mr T Agnew <sup>1</sup>	6	6	4	5	4	4	5	5	3	4
Dr D Gilpin <sup>2</sup>	3	3								
Dr D Glennon <sup>3</sup>	3	3								
A/Prof M Hollands	6	6								
Dr C Pascott	6	6							4	4
Dr A Wesseldine	6	6	5	5						
Dr G Yates	6	6								
Dr A Windsor	6	6								

1 Appointed 1 July 2023

2 Ceased 24 November 2023

3 Appointed 24 November 2023

## Principal activity

The principal activity of the Group during the year was medical indemnity services. There was no significant change in the nature of this activity.

Throughout the 2024 financial year the Group has continued to provide Members with a competitive insurance policy that protects their interests in addition to providing Members and insureds with high quality services through educational, medico-legal advice and advocacy.

## Objective

MDA MDA National's primary objective is to support and protect Members and to promote good medical practice.

MDA National works to achieve this objective by supporting and protecting the character and interests of medical practitioners practising or eligible to practise as such in accordance with the laws of the states and territories of Australia and of students enrolled in the study of medicine at universities or other tertiary education institutions.

In striving to promote good medical practice, MDA National has developed a vision of being chosen as the most valued medical defence organisation and a trusted part of a doctor's professional risk management.

## Results and performance

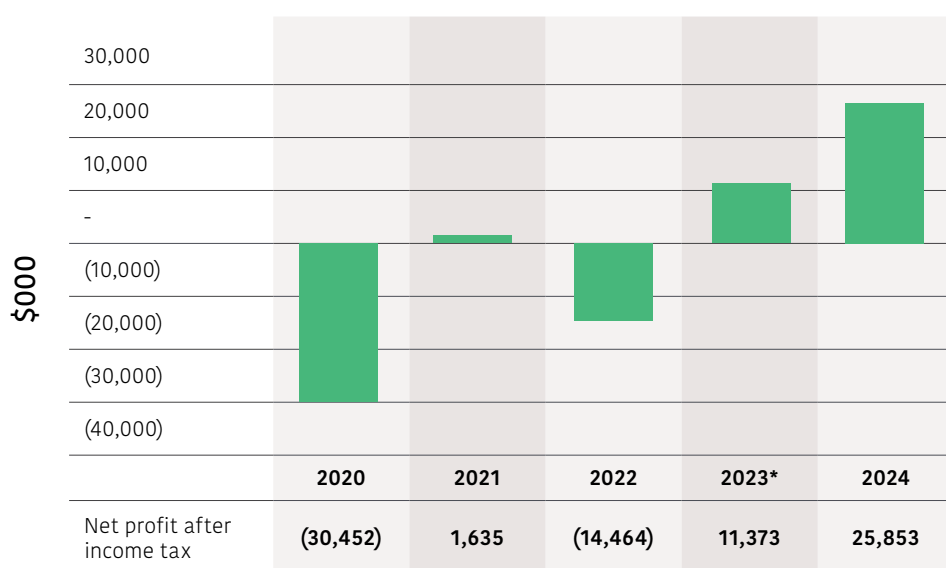
The consolidated net profit after tax for FY24 was \$25.9 million representing an increase of \$14.5 million from a profit after tax of \$11.4 million for FY23.

Key drivers for the financial performance were:

- increase in premium revenue from risk-based pricing
- favourable net claim experience with accompanying release in provision
- favourable market conditions resulting in higher investment income of \$21.7 million in FY24 as compared to \$15.7 million in FY23.

The net profit after tax results of the Group in 2024 and 2023 compensate for the significant increases in net claims experience, that resulted in net losses for the Group across 2019-2022, when the number and dollar value of claims increased.

### Net profit after income tax 2020-2024



\*Comparative information has been restated on account of first-time adoption of AASB 17.

### Significant changes in the state of affairs

There were no significant changes for the year ended 30 June 2024.

### Matters subsequent to the end of the financial year

There are no material subsequent events from balance date to the date of this report.

### Likely developments and expected results of operations

Likely developments in the operations of MDA National and the expected results of those operations in future years are that MDA National will continue normal operations with a view to remaining one of Australia's leading medical indemnity providers through careful management of its financial position, while seeking to be recognised as the most valued and trusted part of a doctor's professional risk management.

### Environmental regulation

The operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### Insurance of officers

During the financial year MDA National paid an insurance premium in respect of Directors' and Officers' liability insurance. This insurance premium related to insurance of current and former Directors and Officers of MDA National against legal costs incurred in defending proceedings for conduct other than:

- a) a wilful breach of duty; and
- b) a contravention of sections 182 or 183 of the Corporations Act 2001.

Pursuant to section 300(9) of the Corporations Act, as the contract of insurance prohibits the disclosure of the insurance premium paid and the nature of the liabilities covered, no details can be disclosed.

No indemnity payment has been made during or since the financial year.

## Rounding

The Group is of a kind referred to in Australian Securities & Investments Commission (ASIC) Corporations (Rounding in financial/Directors' Report) instrument 2016/191. Where permitted by that class order, amounts in the Directors' Report have been rounded to the nearest thousand dollars.

## Indemnification of auditors

To the extent permitted by law, MDA National has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

## Indemnification of auditors

To the extent permitted by law, MDA National has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

## Directors' benefits

A disclosure of the benefits provided to directors during the year is made in the full financial statements.

## Class of membership

The membership of MDA National is divided into the following classes: Practising Members, Student Members, Retired Members, Honorary Life Members and Compounded Life Members.

## Liability of members and guarantee on winding up

The liability of Members is limited. Each Member undertakes to contribute to the assets of MDA National if it is wound up while they are a Member or within one year afterwards, such amount as may be required not exceeding ten dollars (\$10) in aggregate. Based on 30 June 2024 membership, the maximum amount that Members of MDA National would be liable to contribute is \$374,320.

## Auditor's independence declaration to the Directors of MDA National Limited

The Directors have received an independence declaration from the auditor, Ernst & Young. A copy of this can be found on page 31.

## Non-audit services

Ernst & Young Australia received \$nil for the provision of non-audit services for the 2024 financial year.

## Signed in accordance with a resolution of the Board of Directors:



President  
**DR M GANNON**



Chair of Finance  
**DR A WESSELDINE**

Perth, 20 September 2024



Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000 Australia  
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222  
Fax: +61 8 9429 2436  
ey.com/au

## Independent Auditor's Report to the Members of MDA National Limited

### Report on the Concise Financial Report

#### Opinion

We have audited the concise financial report, which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and related notes, derived from the financial report of MDA National Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2024. The concise financial report also includes discussion and analysis and the directors' declaration.

In our opinion, the accompanying concise financial report, including the discussion and analysis and the directors' declaration complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Concise Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the concise financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Concise financial report

The concise financial report does not contain all the disclosures required by Australian Accounting Standards. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon.

#### The financial report and our report thereon

We expressed an unmodified audit opinion on the financial report in our report dated 20 September 2024.

#### Responsibilities of the directors for the concise financial report

The directors of the Company are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*, and for such internal controls as the directors determine are necessary to enable the preparation of the concise financial report.

#### Auditor's responsibilities for the audit of the concise financial report

Our responsibility is to express an opinion on whether the concise financial report complies, in all material respects, with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with AASB 1039 *Concise Financial Reports* based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

  
Ernst & Young

  
Timothy G Dachs  
Partner  
Perth  
20 September 2024



Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000 Australia  
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222  
Fax: +61 8 9429 2436  
ey.com/au

## Auditor's Independence Declaration to the Directors of MDA National Limited

As lead auditor for the audit of the concise financial report of MDA National Limited and its controlled entities for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b) no contraventions of any applicable code of professional conduct in relation to the audit; and
- c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of MDA National Limited and the entities it controlled during the financial year.

Ernst & Young

**Timothy G Dachs**

Partner  
Perth

20 September 2024

## Consolidated Statement of Comprehensive Income

for the year ended 30 June 2024

	Consolidated	
	2024 \$000	2023 \$000 Restated*
<b>Revenue</b>		
Insurance and subscription revenue	107,869	97,811
Insurance service expense	(73,629)	(78,015)
<b>Insurance service result before reinsurance contracts held</b>	<b>34,240</b>	<b>19,796</b>
Reinsurance expense	(6,200)	(5,816)
Reinsurance income	(2,551)	(8,493)
<b>Net expense from reinsurance contracts held</b>	<b>(8,751)</b>	<b>(14,309)</b>
<b>Insurance service result</b>	<b>25,489</b>	<b>5,487</b>
Investment income	21,723	15,714
Insurance finance expense	11,913	(4,149)
Reinsurance finance income	1,888	601
<b>Net insurance finance result</b>	<b>(10,025)</b>	<b>(3,548)</b>
Other income	413	917
Rental income	710	467
Other expenses	(11,786)	(7,212)
<b>Profit before tax</b>	<b>26,524</b>	<b>11,826</b>
Income tax expense	(671)	(453)
Net profit after income tax expense	25,853	11,373
Other comprehensive income/(loss) for the year	-	-
<b>Total comprehensive profit/(loss) for the year</b>	<b>25,853</b>	<b>11,373</b>

## DISCUSSION & ANALYSIS

The net profit after tax for the year ended 30 June 2024 was \$25.85m compared to the profit after tax of \$11.37m for the year ended 30 June 2023.

### Insurance service result

During the current year, gross premium and subscription revenue increased by \$10.06m mainly due to premium increases. The net insurance service expense for the year ended 30 June 2024 decreased by \$4.39m to \$73.63m due to the release of actuarial provisions after favourable claims experience.

Reinsurance income, representing amounts recoverable from reinsurers for incurred claims, is a loss for the year ended 30 June 2024 of \$2.55m. This increase of \$5.94m from the prior year is due to the impact of favourable claims experience on the actuarial assessment of future reinsurance recoveries.

### Net insurance finance result

Net insurance finance result increased by \$6.48m mainly due to the impact of unwinding of discount on claims reserves.

### Investment performance

Net investment income for the year was \$21.72m compared to income of \$15.71m in 2023. This includes fair value gains of \$8.28m in the current year compared with gains of \$5.24m in the prior year. The investment result that we are reporting is due to strong market performance and higher interest rates giving rise to increase in interest income.

### Expenses

Increase in expenses arises mainly from investment in technology as systems at end of life are upgraded.

\*Comparative information has been restated on account of first-time adoption of AASB 17. The accompanying notes form part of these concise financial statements.



## Consolidated Statement of Financial Position

as at 30 June 2024

	Consolidated		
	30 June 2024 \$000	30 June 2023 \$000	1 July 2022 \$000
<b>ASSETS</b>			
Cash and cash equivalents	36,895	30,085	27,792
Short-term deposits	121,293	111,932	122,517
Financial assets	235,558	224,356	200,002
Reinsurance contract assets	36,078	37,257	45,790
Receivables	3,432	1,647	1,788
Right of use assets	1,299	2,055	2,933
Plant and equipment	15,254	14,403	14,899
Intangible assets	3,553	2,283	4,531
Deferred tax asset	167	461	776
<b>TOTAL ASSETS</b>	<b>453,529</b>	<b>424,479</b>	<b>421,028</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	269,715	267,146	272,957
Payables	4,352	4,436	6,156
Unearned subscription income	1,772	1,309	1,323
Income tax payable	377	417	897
Employee benefits	2,455	2,166	2,063
<b>TOTAL LIABILITIES</b>	<b>278,671</b>	<b>275,474</b>	<b>283,396</b>
<b>NET ASSETS</b>	<b>174,858</b>	<b>149,005</b>	<b>137,632</b>
<b>MEMBERS' EQUITY</b>			
Accumulated surplus	174,858	149,005	137,632
<b>TOTAL MEMBERS' EQUITY</b>	<b>174,858</b>	<b>149,005</b>	<b>137,632</b>

## DISCUSSION & ANALYSIS

The only movement in Members' equity for the year is the profit for the year to 30 June 2024 of \$25.85m.

This increase is reflected in assets increasing by \$29.05m and liabilities increasing \$3.20m. The bulk of the increase is in investments (financial assets, bank cash and deposit holdings).

\*Comparative information has been restated on account of first-time adoption of AASB 17. The accompanying notes form part of these concise financial statements.

## Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

	<b>Consolidated</b>	
	<b>Accumulated Surplus \$000</b>	<b>Total Members' Funds \$000</b>
<b>At 1 July 2022</b>	<b>137,031</b>	137,031
Impact of initial application of AASB 17	<b>601</b>	601
<b>Restated balance as at 1 July 2022*</b>	<b>137,632</b>	<b>137,632</b>
<b>Restated net profit after tax for the year</b>	<b>11,373</b>	11,373
Total comprehensive profit	<b>11,373</b>	11,373
Restated balance as at 30 June 2023	<b>149,005</b>	149,005
Net profit after tax for the year	<b>25,853</b>	25,853
<b>Total comprehensive profit</b>	<b>25,853</b>	<b>25,853</b>
<b>At 30 June 2024</b>	<b>174,858</b>	174,858

## DISCUSSION & ANALYSIS

New accounting standard (AASB 17) was adopted in the current period, resulting in a one-off adjustment to prior year balances of \$0.6m.

Accumulated surpluses increased to \$174.86m as a result of the operating profit after tax of \$25.85m for the year.

\*Comparative information has been restated on account of first-time adoption of AASB 17. The accompanying notes form part of these concise financial statements.

## Consolidated Statement of Cash Flows

for the year ended 30 June 2024

	Consolidated	
	2024 \$000	2023 \$000
<b>Cash flows from operating activities</b>		
Subscription receipts	3,815	3,791
Premium receipts	128,894	112,015
Receipts from reinsurance	1,398	-
Receipts from other recoveries	14,655	5,701
Rental income received	758	627
Interest received	8,079	5,556
Payments to suppliers, employees	(62,909)	(57,639)
Claims paid	(74,314)	(61,709)
Income tax paid	(198)	(617)
<b>Net cash inflows from operating activities</b>	<b>20,178</b>	<b>7,725</b>
<b>Cash flows from investing activities</b>		
Funds deposited into managed portfolio and term deposits	(51,464)	(35,976)
Proceeds from the redemption of investments	43,142	31,211
Acquisition of property, plant and equipment, and intangibles	(4,279)	(62)
<b>Net cash (outflows) from investing activities</b>	<b>(12,601)</b>	<b>(4,827)</b>
<b>Cash flows from financing activities</b>		
Payment of principal portion of lease liabilities	(766)	(606)
<b>Net outflows from financing activities</b>	<b>(766)</b>	<b>(606)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,811</b>	<b>2,292</b>
Cash and cash equivalents at beginning of year	30,084	27,792
<b>Cash and cash equivalents at the end of year</b>	<b>36,895</b>	<b>30,084</b>

## DISCUSSION & ANALYSIS

Net cash inflows from operations increased by \$12.45m from \$7.72m as at 30 June 2024. The major contributing factors are highlighted below:

- higher cash receipts from policy holders of \$16.88m; and
- higher cash receipts from non-reinsurance recoveries \$8.95m, offset by higher claims payments of \$12.61m.

### Cash flows from investments

Net cash outflow from investments has increased this financial year with more funds being deposited in managed bond funds and term deposits.

## Notes to the Concise Financial Statements

for the year ended 30 June 2024

### 1. General information

MDA National Limited (MDA National) is a not-for-profit company domiciled in Australia. The address of the company's registered office is Level 3, 88 Colin St, West Perth. The concise financial report has been prepared in accordance with the requirements of Australian Accounting Standard AASB 1039 *Concise Financial Reports* for the year ended 30 June 2024, comprising MDA National and its subsidiaries (the Group). The key subsidiary is MDA National Insurance Pty Limited.

### 2. Basis of preparation

The concise financial report is presented in Australian dollars and is rounded to the nearest thousand dollars (\$000) unless otherwise stated. MDA National Limited's functional currency is Australian dollars. The concise financial report has been prepared on a historic cost basis except for certain financial instruments that have been measured at fair value.

### 3. Changes in accounting policies

The Group has adopted AASB 17 Insurance Contracts ("AASB 17"), which replaced AASB 4 Insurance Contracts ("AASB 4") and AASB 1023 ("AASB 1023") General Insurance Contracts. This standard was effective for periods commencing on or after 1 January 2023 and the group has adopted AASB17 for the first time in preparing this financial report.

AASB 17 establishes specific principles for the recognition, measurement, presentation and disclosure of insurance contracts issued and reinsurance contracts held by the Group.

Changes in accounting policies resulting from the adoption of AASB 17 have been applied using full retrospective approach. Under the full retrospective approach, for the opening date of 1 July 2022 the Group:

- identified, recognised and measured each group of insurance and reinsurance contracts as if AASB 17 had always been applied;
- derecognised previously reported balances that would not have existed if AASB 17 had always been applied. These included insurance receivables and payables that are attributable to existing insurance contracts. Under AASB 17, they are included in the measurement of the insurance contracts; and
- recognised any resulting difference in equity.

The Group has applied the transition provisions in AASB 17 and has disclosed the impact of adoption of AASB 17 on each financial statement line item. The effects of adopting AASB 17 on the financial statement at 1 July 2022 are presented in the statement of changes in equity.

### 4. Actuarial estimates and judgements

Significant estimates and judgements are made to arrive at key assets and liability amounts arising from general insurance activities including:

- liability for incurred claims: the cost of claims incurred but not settled at balance date arising under insurance policies;
- asset for incurred claims: recognised to represent expected reinsurance recoveries as per the terms of the reinsurance contracts;
- recovery assets: amounts expected from government schemes including High Cost Claims Scheme (HCCS) and Run-Off Cover Scheme (ROCS). Government schemes recoveries (amounts recoverable from third parties) are netted off the liability for incurred claims, unless stated otherwise.

The determination of these estimates and judgements are continually being evaluated and are based on experience and independent actuarial valuation. While all reasonable steps are taken to ensure that adequate information is obtained regarding exposures and recoveries, given the uncertainty in establishing the claims provisions, it is likely the final outcome will prove to be different from the original liability established.

A description of the factors used to determine the actuarial assumptions is provided below.

<b>Assumption</b>	<b>Factors considered</b>
Average weighted term to settlement	Based on historical settlement patterns.
Estimated future claim numbers (claim frequency)	Based on historical patterns of claim reporting and conversion from incident to claim.
Average claim size	Based on historical claim size experience.
Inflation	Based on future forecasts for wage inflation.
Superimposed inflation	There is a tendency for claims costs, particularly for medical indemnity, to increase at levels in excess of standard inflationary pressures. This can be due to a number of factors including court awards and precedents and social and environmental pressures which are analysed and forecast separately from wage inflation. The actuarial method used to project future claim payments in respect of medical indemnity claims has an allowance for superimposed inflation.
Liability for incurred claims	<p>The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.</p> <p>The main assumption underlying these techniques is that the Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately projected in order to reflect their expected future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based.</p> <p>Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.</p> <p>A liability for incurred claims is recognised in respect of all claims notified, net of non-reinsurance recoveries.</p>
Asset for incurred claims	<p>Based on historical recovery rates. Asset for incurred claims (reinsurance recoveries) are recognised as income in respect of claims incurred. Recoveries receivables are measured using actuarial methods to estimate the present value of expected future receipts arising from related insurance contracts. The valuation is prepared by the appointed actuary. The revision of certain actuarial assumptions may result in the reversal of recoveries previously recognised. This may result in negative recovery income.</p> <p>AASB 17 includes the requirement that reinsurance cashflows be adjusted for the possibility of reinsurer default. An explicit allowance for reinsurance default has been calculated and is included in the assets for incurred claims.</p>
Amounts recoverable from third parties	<p>Based on historical recovery rates. HCCS recoveries are based on the estimated claims costs above the HCCS thresholds implied by the Group's average claim size model. ROCS recoveries are based on the likelihood of doctors meeting the ROCS criteria in future and historical reporting patterns of claims.</p> <p>Estimated recoveries from these schemes are netted off against claims liabilities recognised at balance date, other than where claims are subject to reinsurance arrangements.</p>
Claims handling expenses	<p>Expenses directly attributable to claim handling are allocated to insurance contracts, and unsettled claim handling expenses are included in the liability for incurred claims.</p> <p>They are estimated based on the historical relationship between claims handling expenses and gross claim costs. The ROCS legislation allows for claims handling recoveries of 5% on all ROCS recovery amounts and these are factored in where relevant.</p>

Discount rate	Estimated using the expected claim payment profile and the Commonwealth Government bond yield curve at the balance date, plus an illiquidity premium where applicable. The illiquidity premium is determined by reference to observable market rates.
Risk adjustment for insurance contract liabilities	<p>The risk adjustment for non-financial risk is the compensation that MDANI requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects the amount that the Group would rationally pay to remove the uncertainty that future cash flows will differ from the expected value amount.</p> <p>The Group has estimated the gross risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, MDANI has assessed the compensation that it requires for bearing non-financial risk as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The risk adjustment is included in the liability for insurance contracts.</p>
Risk adjustment for reinsurance contract assets	<p>The reinsurance risk adjustment is the difference between the dollar gross risk adjustment and the dollar net risk adjustment.</p> <p>The Group has estimated the net risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, MDANI has assessed the compensation that it requires for bearing non-financial risk as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. This risk adjustment is included in the reinsurance contract asset.</p>

The following table provides key actuarial metrics within the assumptions used in determining insurance contract liabilities and reinsurance contract assets:

	Consolidated	
	2024	2023
Claims handling expense rate	3.2 years	3.2 years
ROCS (% of ROCS claims recoveries)	5.0%	5.0%
Discount rate (including illiquidity premium)	4.65%	4.65%
Inflation	N/A <sup>1</sup>	N/A <sup>1</sup>
Gross risk adjustment	15.1%	15.1%
Reinsurance asset risk adjustment	19.9%	29.4%
Insurance contract liabilities risk adjustment	10.0%	10.0%

<sup>1</sup>The method used to measure most of the liability for incurred claims did not involve explicit assumptions for inflation rates. However, in valuing the Incurred But Not Reported claims (IBNR), Extended Reporting Benefit (ERB) and Death, Disablement or Retirement (DDR) liabilities, 3.25% (2023: 3.25%) normal inflation and 2.5% (2023: 2.5%) superimposed inflation were used for all projection years.

## 5. Revenue and other Income

	Consolidated	
	2024	2023
	\$000	\$000
<b>Underwriting activities</b>		
Premium revenue	103,911	94,005
Subscription revenue	3,958	3,806
	<b>107,869</b>	<b>97,811</b>
<b>Investment income</b>		
Interest income	9,521	6,710
Fund distributions and fee rebate	3,924	3,767
Fair value gains/(loss)	8,278	5,237
	<b>21,723</b>	<b>15,714</b>

► **Dr Chloe Furst**  
Geriatrician and Palliative Care Physician  
*Member since 2009*



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[mdanational.com.au](https://mdanational.com.au)

1800 011 255  [peaceofmind@mdanational.com.au](mailto:peaceofmind@mdanational.com.au)

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