

Target Market Determination

Names of products

Medibank Pet Insurance - Pet Protect plan - (with a benefit percentage of 70%)

Medibank Pet Insurance - Pet Plus plan - (with a benefit percentage of 80%)

Medibank Pet Insurance - Pet Max plan - (with a benefit percentage of 90%)

Product Disclosure Statement (PDS) dated 30 August 2023

What is a Target Market Determination

This Target Market Determination (TMD) sets out the class of customers that each product has been designed for and is suitable for. It sets out the target market for each product, conditions and restrictions placed on their distribution, events and circumstances that would reasonably suggest that the TMD is no longer appropriate and review periods and reporting obligations for the TMD.

This TMD does not provide any financial product advice on the products and does not take into consideration the objectives, financial situation and needs of individual customers.

The terms and conditions of each product are set out in the PDS. This TMD does not form part of the insurance contract and is not a summary of the products' terms and conditions. Customers should review the PDS before making any decision in relation to the products.

Any terms used in this TMD that are defined in the Corporations Act 2001 (Cth) have the same meaning as in that Act.

This TMD is available to any person at <https://www.medibank.com.au/pet-insurance/useful-documents/>

Effective date of this TMD: 30 August 2023

Issuers

This Target Market Determination is made by the issuers of the respective products:

PetSure (Australia) Pty Ltd ABN 95 075 949 923, AFSL 420183 (PetSure) is the issuer of Medibank Pet Insurance policies first issued on or after 30 August 2023.

The Hollard Insurance Company Pty Ltd ABN 78 090 584 473, AFSL 241436 (Hollard) is the issuer of Medibank Pet Insurance policies first issued prior to 30 August 2023.

Product description and key attributes

The products have been designed for people who want different choices of cover towards eligible veterinary expenses incurred by the owners of cats or dogs. The key attributes of the products are briefly described below:

	Pet Protect	Pet Plus	Pet Max
Cover type	Cover for both specified accidental injuries and illnesses	Cover for both specified accidental injuries and illnesses	Cover for both specified accidental injuries and illnesses with Extra care cover for specialised therapies and specified dental conditions, up to the Extra care limit of \$2,000
Benefit percentage	Up to 70% of eligible veterinary bills	Up to 80% of eligible veterinary bills	Up to 90% of eligible veterinary bills
Annual benefit limit	Up to \$10,000 per year	Up to \$25,000 per year	Up to \$30,000 per year
Sub-limits	Some condition related sub-limits apply to tick paralysis, hip joint surgery and cruciate ligament conditions	Condition related sub-limits do not apply	Condition related sub-limits do not apply
Excesses	Excess options can be selected	Excess options can be selected	Excess options can be selected
Option(s)	Extra care cover for specialised therapies and specified dental conditions, up to the Extra care limit of \$2,000	Extra care cover for specialised therapies and specified dental conditions, up to the Extra care limit of \$2,000	N/A

Other key attributes of these products include:

- it does not provide comprehensive cover for preventative care costs and general pet maintenance costs like grooming and pet food; and
- cover is subject to annual limits, sub-limits (which can increase from time to time to help keep pace with the costs of veterinary care), terms, conditions and exclusions. Examples of key exclusions include waiting periods at the inception of a new policy and coverage exclusions for chronic pre-existing conditions.

Likely objectives, financial situation and needs of customers in the target market

The likely objectives, financial situation and needs of customers in the target market is a contribution towards eligible veterinary expenses that they incur, to help ensure their pet can receive appropriate treatment, and to reduce (and not cover in full) the cost to the customer of that treatment.

Customers in the target market will be able to afford to pay:

- premiums for the product, which will increase from year to year;
- the full amount for treatment upfront to the veterinary before seeking claims reimbursement for the eligible expenses, unless using the GapOnly® claims payment platform (in which case, customers need to be able to pay upfront the 'gap' payment - the 'gap' means the difference between the vet's invoice for eligible expenses and the claim benefit calculated under the policy terms and conditions, if any); and
- any vet expenses above the accepted claim amount, including:
 - > the excess (where applicable);
 - > costs above the applicable benefit percentage (up to 70%, 80% or 90% of eligible veterinary expenses);
 - > costs above the applicable annual benefit limit (up to \$10,000 or, \$25,000, or \$30,000 per year depending on the selection chosen); and
 - > where applicable, costs above the applicable sub-limits and/or Extra care limits.

Target market for the product

Who this product may be suitable for	Who this product may not be suitable for
<p>A person is in the target market for the products if they:</p> <ul style="list-style-type: none">• are 18 years of age or over;• want cover for a pet over the age of 8 weeks old and younger than 9 years old at the time of the first policy commencement date;• have a domestic dog or cat that is legally available in Australia;• want cover towards the costs associated with a range of specified accidental injuries and illnesses that their pet may experience; and• can afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and veterinary expenses that are above the accepted claim amount.	<p>A person will not be in the target market for the products if they:</p> <ul style="list-style-type: none">• are seeking cover for chronic pre-existing conditions;• want to cover the costs of treatment for illnesses or accidents not covered by this policy, or other maintenance costs associated with pet ownership; and/or• cannot afford to pay the applicable premium, upfront vet expenses before submitting a claim (unless GapOnly® is used), and/or veterinary expenses that are above the accepted claim amount.

Target market for each product

In addition to the overall target market that apply to each product, these additional parameters apply to each relevant product.

Pet Protect (Specified accidental injury & illness)

Who this product may be suitable for	Who this product may not be suitable for
<p>A person is in the target market for this product if they want:</p> <ul style="list-style-type: none">up to 70% of their eligible veterinary expenses covered up to \$10,000 per policy period.	<p>A person will not be in the target market for this product if they:</p> <ul style="list-style-type: none">do not want sub-limits or want different sub-limits to apply for treatment for tick paralysis, hip joint surgery and/or cruciate ligament conditions.

Pet Plus (Specified accidental injury & illness)

Who this product may be suitable for	Who this product may not be suitable for
<p>A person is in the target market for this product if they want:</p> <ul style="list-style-type: none">up to 80% of their eligible veterinary expenses covered up to \$25,000 per policy period.	<p>A person will not be in the target market for this product if they:</p> <ul style="list-style-type: none">want sub-limits to apply to conditions or items.

Pet Max (Specified accidental injury & illness with Extra care)

Who this product may be suitable for	Who this product may not be suitable for
<p>A person is in the target market for this product if they:</p> <ul style="list-style-type: none">want up to 90% of their eligible veterinary expenses covered;want up to \$30,000 cover per policy period, which could be reached in significant and/or more complex treatments or circumstances;want cover, subject to the Extra care limit, for specialised therapy for: acupuncture, hydrotherapy, physiotherapy and chiropractic manipulation and behavioural conditions; andwant cover, subject to the Extra care limit, for treatment of these specified dental conditions: gingivitis, abscesses and removal of teeth where medically necessary.	<p>A person will not be in the target market for this product if they:</p> <ul style="list-style-type: none">want sub-limits to apply to conditions or items;do not want reimbursement for specialised therapy and/or specified dental conditions; and/ordo not want an Extra care limit or want different Extra care limits to apply to specialised therapy items and/or specified dental conditions.

Target market for Extra care (optional benefit for Pet Protect and Pet Plus)

Who this optional benefit may be suitable for	Who this optional benefit may not be suitable for
<p>A person is in the target market for this optional benefit if they:</p> <ul style="list-style-type: none">• want cover up to the applicable benefit percentage (being 70% for Pet Protect and 80% for Pet Plus) and subject to the Extra care limit of \$2,000 for both:<ul style="list-style-type: none">> specialised therapy for: acupuncture, hydrotherapy, physiotherapy, chiropractic manipulation and behavioural conditions; and> treatment of these specified dental conditions: gingivitis, abscesses and removal of teeth where medically necessary.	<p>A person will not be in the target market for this optional benefit if they:</p> <ul style="list-style-type: none">• do not want reimbursement for specialised therapy and/or specified dental condition costs; and/or• do not want an Extra care limit or want different Extra care limits to apply to specialised therapy items and/or treatment of specified dental conditions.

Consistency between the product and target market

This product will likely meet the likely objectives, financial situation and needs of the target market because they address the needs of customers in the target market to reduce the costs of eligible veterinary expenses.

Distribution conditions

PetSure issued policies

PetSure issued Medibank Pet insurance (Pet Protect), Medibank Pet insurance (Pet Plus), Medibank Pet insurance (Pet Max) products are only available to customers whose policies were first issued to them on or after 30 August 2023. These products are distributed through:

- visiting the website of Medibank;
- calling the contact centre of Medibank;
- visiting a retail store of Medibank;
- calling the contact centre of PetSure; or
- visiting the website of an authorised distribution partner.

All enquiries made online use a quotation tool which asks the customer to answer a series of questions before finalising a quote. Customers seeking a quote via the phone or in person at a retail store will be asked a series of questions from a system-based script by a trained representative. The response to these questions will determine if the customer meets the eligibility criteria, which align with the description of the target market set out above. A sale will not progress if these eligibility criteria are not met. All call centre and retail store representatives are provided with adequate training and their sales are routinely monitored by us to ensure that they sell the products only to customers who are in the target market.

Medibank Pet Insurance is promoted and distributed by Medibank Private Limited (ABN 47 080 890 259, AR no 286089). Medibank is an authorised representative of PetSure. PetSure also has arrangements in place with Medibank Private Limited with appropriate terms for ensuring that it only distributes the product to customers that fall within the target market. PetSure and/or Medibank Private Limited also have arrangements with other approved distribution partners in relation to distribution of the product, with appropriate terms for ensuring that the product is only distributed to customers that fall within the target market.

PetSure will monitor whether customers are in the target market, pursuant to the criteria in this TMD. If PetSure identifies the customer is no longer in the target market, PetSure will contact them.

Hollard issued policies

Hollard issued Medibank Pet insurance (Pet Protect), Medibank Pet insurance (Pet Plus), Medibank Pet insurance (Pet Max) are only available to renewing customers whose policies were first purchased prior to 30 August 2023.

For Hollard issued policies, Hollard has arrangements in place with PetSure with appropriate terms to ensure the products are distributed to the customers that fall within the target market.

Hollard will monitor whether customers are in the target market, pursuant to the criteria in this TMD. If Hollard identifies the customer is no longer in the target market, PetSure, under its arrangement with Hollard will contact the customer.

Reviewing this document

Periodic review

Each issuer will review this TMD within 24 months from its commencement date and subsequently every 24 months thereafter.

Review triggers

Each issuer will also review this TMD, insofar as it relates to the products issued by them, if there are events or circumstances that reasonably suggest that the TMD is no longer appropriate. The triggers for this review may arise from:

- any material changes being made to the product coverage, pricing methodology, underwriting or eligibility criteria or its method of claims assessment and settlement;
- any material changes to methods of distribution;
- changes in law or regulatory guidance or industry code which may materially affect the terms of cover or distribution or regulatory feedback or concerns raised to suggest the TMD may no longer be appropriate;
- identification of systemic issues and findings, produced from quality assurance or governance processes, that may indicate an issue with the product or the appropriateness of the TMD;
- any occurrence of a significant dealing outside of the target market;
- compliance incidents and breaches that may indicate an issue with the product and the appropriateness of the TMD; or
- material deviations developing in the customer value metrics that track:
 - > financial performance of the product;
 - > product desirability;
 - > benefit attained from the product by customers;
 - > overall claims experience;
 - > number and type of complaints received; and
 - > customer feedback received.

Reporting

Distributors of these products are required to report the following information to the relevant issuer or both issuers (where applicable) within the time specified below:

Information	Reporting period
Actual or potential significant dealings of the product outside of the target market	As soon as practicable and in any event within 10 business days of first becoming aware.
Actual or potential issue of the product in breach of distribution conditions or outside of the target market	As soon as practicable and in any event within 10 business days of first becoming aware.
Number and details of all complaints received	Within 10 business days of the end of each quarter.
Sales and marketing data including but not limited to quotes and sales made, promotions applied, cancellation of cover information	Within 10 business days of the end of each quarter.
Any data that we do not hold and is requested by us in writing that allows us to monitor customer value metrics as described in "Reviewing this document"	Within 10 business days of the end of each month.