



## Information about private health insurance hospital cover

Private health insurance hospital cover plays an important role in supporting the Australian health system by offering a number of benefits such as choice of doctor, timing of treatment, limited coverage for some services not included under Medicare arrangements, and shorter waiting times for some health care services.

You are receiving this letter because you, or someone listed on your Medicare card:

- may be shortly turning 31 *or*
- may be approaching the 12-month anniversary of enrolling for interim or full Medicare benefits, as part of an application for Permanent Residency and or being granted residency for humanitarian reasons under a Ministerial Order and may not have Australian private health insurance hospital cover.

Australian private health insurance hospital cover is not compulsory. However, it is important you understand how Lifetime Health Cover and the Medicare Levy Surcharge work should you, or someone listed on your Medicare card, decide to purchase cover at a later time and after the required time.

### Lifetime Health Cover

Lifetime Health Cover (LHC) is a financial loading that can be payable in addition to the base rate premium for private health insurance hospital cover. It is designed to encourage people to take and maintain private health insurance hospital cover earlier in life.

To avoid paying a LHC loading, hospital cover needs to be purchased:

- by 1 July following a person's 31st birthday, or
- within 12 months of being registered with Medicare.

The longer you wait the higher the LHC loading will be. For more information about LHC, go to [privatehealth.gov.au](http://privatehealth.gov.au).

### Medicare Levy Surcharge

If you do not have private health insurance hospital cover, you might need to pay the Medicare Levy Surcharge (MLS). The MLS is a levy paid by some Australians once per financial year, depending on their income. For the financial year commencing 1 July 2023, the income threshold for a single person starts at \$93,000 and \$186,000 for a family.

The amount of MLS charged may be greater than the cost of private health insurance hospital cover. For more information about the MLS, go to [privatehealth.gov.au](http://privatehealth.gov.au) or [ato.gov.au](http://ato.gov.au).

### For More Information

If you require further information about your eligibility for Medicare, or need to update your contact details, please contact Services Australia on 13 20 11 or visit [servicesaustralia.gov.au](http://servicesaustralia.gov.au).

Private Health Strategy Branch  
Department of Health and Aged Care  
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If you would like more information through an interpreter, please call the Translating and Interpreting Service on **131 450**