

The Lifetime Health Cover (LHC) loading: under 31 – What you need to know

When do I need to purchase private health insurance hospital cover to avoid paying the LHC loading?

You need to purchase private health insurance hospital cover (hospital cover) by your 'LHC Base Day' to avoid paying the LHC loading. As an Australian resident or citizen, your LHC Base Day will be 1 July following your 31st birthday. For example, if you turn 31 in November 2025, your LHC Base Day will be 1 July 2026.

If you choose to purchase hospital cover at a later time, and you didn't have hospital cover on your LHC Base Day, you will pay the LHC loading.

What is the LHC loading and how long does it apply?

The LHC loading is charged at a rate of 2% (up to a maximum of 70%) on top of your applicable hospital cover premium, for every year you are over the age of 30 at the time of commencing hospital cover. The LHC loading remains in place for 10 continuous years.

You can break up your 10 years of continuous cover with any of the 'permitted days without hospital cover'. However, the breaks in hospital cover do not count towards the 10 years.

What if I already have private health insurance hospital cover?

If your hospital cover is with an Australian private health insurer and is current on your LHC Base Day, you do not need to take any further action.

IMPORTANT: general treatment (extras) cover, international forms of health insurance, Overseas Visitor Health Cover and Overseas Student Health Cover are not considered 'hospital cover' for the purposes of avoiding the LHC loading.

If you have any questions regarding your cover or are unsure if it includes the right type of hospital cover to avoid the LHC loading, please contact your insurer directly for further advice.

What if I was overseas on my LHC Base Day?

You will not have to pay the LHC loading if you purchase hospital cover within 12 months of your first return to Australia that is for a period of 90 consecutive days or more. The anniversary of your first return to Australia of 90 days or more becomes your new LHC Base Day.

Evidence of anytime spent overseas on or after your LHC Base Day must be provided to your private health insurer.

This may include an 'International Movement Record', which can be applied for online on the Department of Home Affairs' website via homeaffairs.gov.au, and/or other evidence as requested by your insurer.

If I live overseas and make a return trip to Australia, will I be affected by the LHC loading?

You can make return visits to Australia of up to 90 consecutive days, per visit, and still be considered overseas for the purposes of the LHC loading.

If your visit exceeds 90 consecutive days, and you don't purchase hospital cover within 12 months of your return date to Australia, the LHC loading will apply based on your age at the time of commencing hospital cover, even if you go overseas again after this visit.

If you have purchased hospital cover and plan to return overseas, please contact your insurer for further advice and available options.

Are there any exemptions?

There are limited situations where a person is deemed to have hospital cover in place to be exempt from the LHC loading. This includes members of the Australian Defence Force and/or a holder of a Department of Veterans' Affairs Gold Card.

IMPORTANT: There are no exemptions if you miss your LHC deadline.

What happens if I cancel my insurance?

If you held hospital cover on or after your LHC Base Day, and need to take a break from your cover, you can access your 'permitted days without hospital cover' which provides you with a cumulative total of 1,094 days (3 years less one day) without hospital cover during your lifetime without the LHC loading increasing.

Please contact your insurer directly for further advice.

Where can I find more information?

The Australian Government website at: privatehealth.gov.au provides a range of information about private health insurance in Australia to help you make an informed decision. An LHC Calculator is also available, which can help you to work out your LHC Base Day and any applicable LHC loading that may apply.