



Are you appropriately covered to avoid paying more through the Lifetime Health Cover and the Medicare Levy Surcharge?

In Australia, 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 are registered for Medicare and may be shortly turning 31, and may be affected by the Lifetime Health Cover or the Medicare Levy Surcharge if you do not already hold Australian private health insurance hospital cover.

Australian private health insurance hospital cover is not compulsory. However, it is important to understand how the Lifetime Health Cover and the Medicare Levy Surcharge may affect you, should you decide to purchase cover at a later date, and after the required time.

Lifetime Health Cover (LHC)

Lifetime Health Cover (LHC) loading is an extra cost for some people on top of the base cost of private health hospital cover. If people do not pay for hospital cover before a certain date, they will have to pay a LHC loading. The longer they wait to buy hospital cover, the higher the LHC loading will be.

To avoid paying the LHC loading, you need to buy hospital cover:

- before 1 July after you are 31 years of age, and/or
- **within 12 months** from the date you registered with Medicare.

To find out more about LHC or to use the LHC calculators to see how much the loading might be, go to **PrivateHealth.gov.au** and search 'Lifetime Health Cover.'

Medicare Levy Surcharge (MLS)

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 Australian taxpayers once per financial year, depending on their income. For the financial year commencing 1 July 2025, the income threshold for a single person starts at \$101,000 and \$202,000 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** or **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 via **servicesaustralia.gov.au**.