

What you need to know about the Lifetime Health Cover loading

If you're new to Australia, understanding how private health insurance works can help you avoid extra costs. This fact sheet explains the **Lifetime Health Cover (LHC) loading** and how it may affect you.

What is LHC loading?

LHC loading is an extra cost added to your hospital insurance premium – **2% (up to 70%) for every year you're over 30** when you first purchase private health insurance hospital cover (hospital cover). The LHC loading stays on your premium 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 don't count towards the 10 years.

When do you need hospital cover?

As a new migrant to Australia, to avoid paying for the LHC loading, you need to purchase hospital cover by your **LHC Base Day**. Your LHC Base Day will be whichever of the following is later **1 July after your 31st birthday**, or the **first 12-month anniversary of registering for Medicare benefits** (interim Blue or full Green card).

Example:

Arrival in Australia and Medicare registration date*	10 March 2023
Age at arrival and registration in Medicare	35 (DOB: 1 June 1988)
LHC Base Day	10 March 2024 (first 12-month anniversary of Medicare registration date)
Date hospital cover purchased	10 September 2024
Age at joining	36
LHC applied	12% loading (based on age at joining and not years in Australia)
* To confirm your Medicare registration date, please contact Medicare to request your LHC letter (or similar)	

If you don't have hospital cover by your LHC Base Day, you'll pay the loading when you choose to purchase it later.

Already have hospital cover?

Great! If your hospital cover is with an **Australian private health insurer** and current on your LHC Base Day, you're all set – **no loading applies**.

Important: **general treatment** (also called **extras**), **Overseas Visitor Health Cover**, **Overseas Student Health Cover**, and **international health insurance** don't count as hospital cover for the purposes of avoiding the LHC loading.

If you're not sure about your policy or whether it includes the right type of hospital cover to avoid LHC loading, contact your insurer for further advice.

How do you check when you first registered for Medicare?

You can find out when you first registered for Medicare by contacting **Services Australia (Medicare)** by calling 13 20 11 (call charges may apply), or by visiting your local Medicare branch.

Ask for an LHC letter. You can give this letter to your insurer on or after you start hospital cover. It helps them check if the **LHC loading** applies to you.

What if you were overseas on your 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.

You'll need to provide evidence to your insurer of any time spent overseas on or after your LHC Base Day, like an '**International Movement Record**' which can be applied for online at **homeaffairs.gov.au**, along with any other documents they may require.

What if you go back overseas and visit Australia briefly?

No stress! 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 first return date**, the LHC loading will apply based on your age at the time of commencing hospital cover, even if you leave Australia again after this visit.

If you plan to go overseas again after buying cover, talk to your insurer. They can explain your options.

Are there any exemptions?

Yes, but they're limited. You're exempt if you're:

- A current member of the **Australian Defence Force** on your LHC Base Day, and/or
- A holder of a **Department of Veterans' Affairs Gold Card**.

Important: There are no exemptions if you miss your LHC Base Day.

What happens if you cancel your hospital cover?

If you've held hospital cover on or after your LHC Base Day, you can access your '**permitted days without hospital cover**'. You get a cumulative total of **1,094 days (3 years less one day)** without hospital cover during your lifetime without increasing your LHC loading.

Always check with your insurer before cancelling your hospital cover to understand your options.

Where can you get 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.