



# Making private health insurance simpler for everyone

The Australian Government has introduced reforms that will make private health insurance simpler and will help people choose the cover that best suits their needs.

Most of these reforms will start to roll out from 1 April 2019.

If you already have private health insurance, your insurer will send specific information about your policy.

## Four tiers of hospital cover

All private hospital cover will be classified as Gold, Silver, Bronze or Basic. What is, and is not covered in these tiers will be based on new minimum standard clinical categories. See the table on the next page.

Health insurers have until April 2020 to introduce this reform.

## Supporting mental health

Since 1 April 2018, patients with limited cover for mental health treatment have been able to upgrade their hospital cover to access higher benefits for these services without serving a waiting period. Policy holders are able to use this exemption from the usual waiting period on a one off basis.

## Optional changes for private health insurers

### Ability to increase excess levels

Insurers can offer the choice to increase your excess in exchange for a lower premium.

The maximum excess for a policy is now being raised from \$500 to \$750 for singles and from \$1,000 to \$1,500 for couples and family policies.

### Discounts for 18 to 29 year olds

Insurers can offer people aged 18–29 discounts of up to 10 per cent off their private hospital premiums. The discount will gradually reduce after you turn 41.

### Travel benefits

Travel and accommodation benefits can be offered as part of hospital cover to people who need to travel long distances to access specialised hospital treatment. This will be particularly beneficial for people living in rural and regional areas.

## Stronger Ombudsman's powers

To better protect consumers, the Private Health Insurance Ombudsman's role has been expanded to improve its capacity to resolve complaints or issues raised by consumers about their private health insurer.

While the vast majority of complaints can be resolved by working with the insurer, the stronger powers will allow the Ombudsman to inspect and audit private health insurers to address complaints.

## More information

Visit [health.gov.au/private-health-reforms](http://health.gov.au/private-health-reforms) for more information.

## Hospital Treatment Product Tiers – Gold, Silver, Bronze and Basic

HOSPITAL TREATMENTS BY CLINICAL CATEGORY	BASIC	BRONZE	SILVER	GOLD
Rehabilitation	✓(R)	✓(R)	✓(R)	✓
Hospital psychiatric services	✓(R)	✓(R)	✓(R)	✓
Palliative care	✓(R)	✓(R)	✓(R)	✓
Brain and nervous system	O (R)	✓	✓	✓
Eye (not cataracts)	O (R)	✓	✓	✓
Ear, nose and throat	O (R)	✓	✓	✓
Tonsils, adenoids and grommets	O (R)	✓	✓	✓
Bone, joint and muscle	O (R)	✓	✓	✓
Joint reconstructions	O (R)	✓	✓	✓
Kidney and bladder	O (R)	✓	✓	✓
Male reproductive system	O (R)	✓	✓	✓
Digestive system	O (R)	✓	✓	✓
Hernia and appendix	O (R)	✓	✓	✓
Gastrointestinal endoscopy	O (R)	✓	✓	✓
Gynaecology	O (R)	✓	✓	✓
Miscarriage and termination of pregnancy	O (R)	✓	✓	✓
Chemotherapy, radiotherapy & immunotherapy for cancer	O (R)	✓	✓	✓
Pain management	O (R)	✓	✓	✓
Skin	O (R)	✓	✓	✓
Breast surgery (medically necessary)	O (R)	✓	✓	✓
Diabetes management (excluding insulin pumps)	O (R)	✓	✓	✓
Heart and vascular system	O (R)	O	✓	✓
Lung and chest	O (R)	O	✓	✓
Blood	O (R)	O	✓	✓
Back, neck and spine	O (R)	O	✓	✓
Plastic and reconstructive surgery (medically necessary)	O (R)	O	✓	✓
Dental surgery	O (R)	O	✓	✓
Podiatric surgery (provided by a registered podiatric surgeon)	O (R)	O	✓	✓
Implantation of hearing devices	O (R)	O	✓	✓
Cataracts	O (R)	O	O	✓
Joint replacements	O (R)	O	O	✓
Dialysis for chronic kidney failure	O (R)	O	O	✓
Pregnancy and birth	O (R)	O	O	✓
Assisted reproductive services	O (R)	O	O	✓
Weight loss surgery	O (R)	O	O	✓
Insulin pumps	O (R)	O	O	✓
Pain management with device	O (R)	O	O	✓
Sleep studies	O (R)	O	O	✓

- ✓ Minimum requirement of the product tier
- (R) Insurers are allowed to offer cover for this clinical category on a restricted basis/with limited benefits
- O Optional for insurer to include – not a minimum requirement of the product tier