

# Lifetime Health Cover: under 31 – What you need to know

## When do I need to purchase private health insurance hospital cover to avoid incurring a LHC loading?

You need to purchase private health insurance hospital cover by your LHC Base Day to avoid incurring a LHC loading. As an Australian resident or citizen, your LHC Base Day will be:

- 1 July following your 31st birthday

If you choose to purchase private health insurance hospital cover at a later time, and you are deemed not to have been covered by private health insurance hospital cover on your LHC Base Day, you will incur a LHC loading.

A LHC loading will be imposed at a rate of 2 per cent (up to a maximum of 70 per cent) on top of your applicable hospital cover premium, for every year you are over the age of 30 at the time of commencing private health insurance hospital cover. Once incurred the LHC loading remains in place for 10 continuous years.

## What if I already have private health insurance hospital cover?

If your private health insurance 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.

It is important to be aware, 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 LHC.

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

## What if I was overseas on my LHC Base Day?

You will not have to pay a LHC loading if you purchase private health insurance 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 must be provided to your private health insurer. This may include an International Movement Record (form#1359) available from the Department of Home Affairs via [homeaffairs.gov.au](http://homeaffairs.gov.au) and/or other evidence as requested by your insurer.

## What if I live overseas, and make a return trip to Australia, will I be affected by LHC?

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

If your visit exceeds 90 consecutive days, and private health insurance hospital cover is not purchased within 12-months of your return date to Australia, LHC will apply based on your age at the time of commencing cover, even if you go overseas again after this visit.

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

## Are there any exemptions?

There are no exemptions if you miss your LHC deadline.

## How long does LHC apply for?

LHC is applied to your private health insurance hospital cover premium and must be paid 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 cover do not count towards the 10 years.

## What happens if I cancel my insurance?

If you held private health insurance 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 without cover during your lifetime without your loading increasing.

If you have any questions regarding your 'permitted days without cover', please contact your insurer directly for further advice.

## Where can I find more information?

The Australian Government website, [privatehealth.gov.au](http://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 determine your LHC Base Day and any applicable LHC loading that may apply.