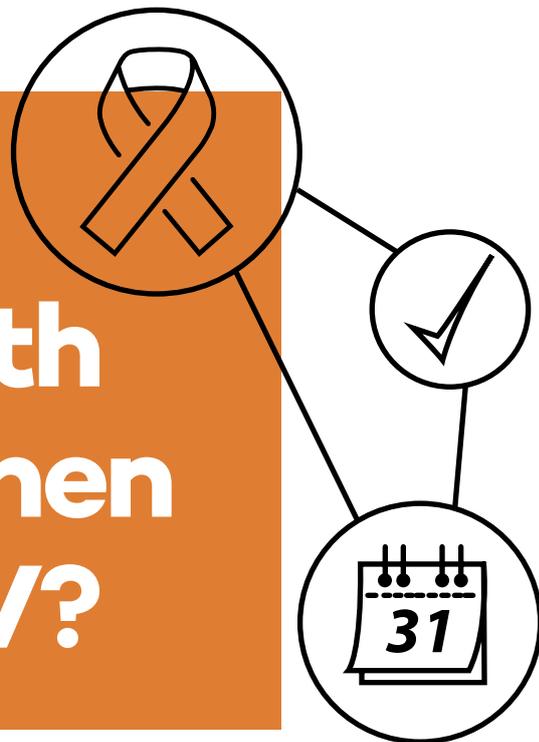


Is it worth getting health insurance when you have HIV?



Unlike with other forms of insurance, private health insurers cannot refuse to insure any person, and must charge everyone the same premium for the same level of cover, despite their risk profile and likelihood of using health services.¹

In Australia, private health insurance cover is generally divided into hospital cover, general treatment cover (also known as ancillary or extras cover), and ambulance cover.

What about Medicare?

Most people in Australia have access to Medicare, a universal health insurance scheme guaranteeing a wide range of health and hospital services at little or no cost. Those not eligible for Medicare² are financially responsible for any health debts they incur in Australia. NAPWHA has more information about people who aren't eligible for Medicare **here** and also in their published report: **'Medicare Ineligible PLHIV in Australia'**.

1 Commonwealth Ombudsman – Private Health Insurance: https://www.privatehealth.gov.au/health_insurance/index.htm <accessed Sept 16 2020>

2 For more information on who is not eligible for Medicare: <https://immi.homeaffairs.gov.au/help-support/meeting-our-requirements/health/adequate-health-insurance> <accessed Sept 14 2020>

Even though most people in Australia have Medicare, 43.6 per cent of the general population³ have private health insurance cover. One reason is that while public hospital treatment is free for anyone on Medicare, you can use private health insurance in a public hospital. This usually means you can choose which doctor you see, and you also have a better chance of getting a private room. Private health cover also provides access to greater choice in a range of health services and can provide more rapid treatment for someone unwell or who needs to be hospitalised.

Why take out health insurance?

People choose to purchase health insurance for a number of reasons. Some of these are financial. For example, once you turn 31, you may consider getting hospital cover because of Lifetime Health Cover loading (LHC). This is a loading that increases by 2% for every year you don't have hospital cover after that age. The maximum loading is 70%.

If you are earning more than \$91,000.00 per annum, it is financially beneficial to purchase private health care due to the Medicare Levy surcharge.

3 The Australian Prudential Regulation Authority's (APRA) June 2020 Quarterly private health insurance statistics: <https://www.apra.gov.au/quarterly-private-health-insurance-statistics> <accessed Sept 16 2020>

If you do decide that private health care is right for you, it is worth shopping around. Finding the right policy can be complicated, and this is likely by design of the private health insurance companies. Legislative changes enacted in April of 2019 were supposed to simplify policies to a three-tier medal system, however the industry have maintained 'add-ons' to policies which means they are as complicated as ever.

Which one is right for me?

There are currently more than 37 private health insurers in Australia offering thousands of different health insurance policies. The Department of Home Affairs provides information on what you should be seeking in a private health fund **here**:

<https://immi.homeaffairs.gov.au/help-support/meeting-our-requirements/health/adequate-health-insurance>

In deciding which fund to go for, it is important to do research and find out what fund suits your needs. There are a lot of online search engines offering a comparison search across private health policies – but be wary of these as they are often privately funded and will not always show you all the policies or offer you the best value for money. You may also get harassing phone calls following up your query.

Choice are an independent and member-funded consumer advocacy group in Australia. They offer a comprehensive and independent policy comparison tool for their members. Online membership costs under \$30 for 3 months and is likely a good investment as it will ensure you get the best value policy for your money. See the Choice website for more information: <https://www.choice.com.au/>

What about my HIV?

If you are living with HIV and applying for cover, HIV is considered a pre-existing condition.

The **Commonwealth Ombudsman** provides clear information about how private health funds must offer services to people with a pre-existing condition. Under the Private Health Insurance Act 2007, a health insurer may impose a maximum 12-month waiting period on benefits for hospital treatment for pre-existing conditions. Most insurers do this.

If you are hospitalised or require treatment within that initial 12-month period, your insurer will want to see if that treatment is related to any pre-existing condition. They will use their own medical experts to make this decision and will be looking for a direct link between the ailment, illness or condition that requires hospital treatment and also for any signs and symptoms that existed in the six-month period prior to the member joining or upgrading hospital cover.

You do not have to disclose your HIV status when you sign up. However, if you claim for a hospital service within the first 12 months, the insurer will take you through a pre-existing condition check. Remember that they will use their own medical experts to investigate your claim.

Pitfalls:

Unfortunately, there are many opportunities for pitfalls with private health care – therefore it is worth taking the time to shop around and compare insurers. Work out what you want from a private health fund – particularly with the extras. Also make sure you know if your fund has a calendar year or financial year roll over.



Access our other factsheets:
NAPWHA.org.au/treatment



Treatment factsheet #7
How can you improve your time with your doctor?



Treatment factsheet #9
Can people with HIV get life insurance?