

# The Australian Government Rebate on Private Health Insurance

If you're eligible for Australian Medicare and hold a current Medicare card, you may be entitled to the Australian Government Rebate.

## Private health insurance income thresholds

Your rebate entitlements will depend on your household income and age.

The government has set four income thresholds and four corresponding rebate tiers. If you fall within the lowest income threshold, you're eligible for the full entitlement under Base Tier. Individuals who fall into the thresholds that correspond with Tier 1 and Tier 2 will be provided with a lower level of rebate, while those who fall under Tier 3 won't be eligible for any rebate.

In addition to the income test, there's also an age-based test, with a higher rebate

applied to anyone between the ages of 65 and 69. This increases again for anyone over the age of 70.

## Australian Government Rebate

The government adjusts the rebate amount on 1 April every year. The income thresholds may also be subject to change on 1 July each year. If you're eligible for the rebate, you can choose to receive it as a reduction in your contributions, or as a rebate as part of your annual income tax return.

To receive your rebate as a reduction in contributions, you need to let us know of the rebate tier that applies to you. If you're on a company-funded health plan, your

employer may nominate a rebate tier on your behalf.

If you don't nominate a rebate tier, Base Tier will be applied to your membership as the default. In this instance, as well as instances where the rebate tier selected doesn't accurately reflect your entitlement as determined by the Australian Taxation Office (ATO), any liability or credit will be reconciled when you lodge your tax return.

For further details, visit the ATO website at [ato.gov.au](http://ato.gov.au).

## Income thresholds effective from 1 April 2015 to 30 June 2021

	Base Tier	Tier 1	Tier 2	Tier 3
<b>Income Tiers</b>				
<b>Singles</b>	\$90,000 or less	\$90,001 – \$105,000	\$105,001 – \$140,000	\$140,001+
<b>Couples/Families</b>	\$180,000 or less	\$180,001 – \$210,000	\$210,001 – \$280,000	\$280,001+
<b>Rebate % by age group – Rebate effective from 1 April 2018 to 31 March 2019</b>				
<b>Aged under 65</b>	25.415%	16.943%	8.471%	0.000%
<b>Aged 65 to 69</b>	29.651%	21.180%	12.707%	0.000%
<b>Aged 70+</b>	33.887%	25.415%	16.943%	0.000%

**Note:** Single parents and couples (including de facto couples) are subject to the family tiers. For families with children, the thresholds are increased by \$1,500 for each child after the first. Rebate levels are adjusted annually on 1 April based on the Rebate Adjustment Factor.

**Updated January 2018.** The information contained within this document is current from the publication date and is subject to change.