



MEMBER FACT SHEET

2019 RATE REVIEW

Frequently Asked Questions

Why are my contribution rates increasing?

The Health Minister recently approved 2019 rates for registered Australian health funds. The rate review takes into account many factors, such as the rise in the cost of health services and products due to growing levels of chronic disease, an ageing population and advances in medical technology.

The adjustment in your membership contributions will help us to ensure that you can continue to enjoy the range of benefits you currently receive and that private healthcare remains accessible to you and your family.

How much have rates gone up by?

The increase will vary depending on your cover option. We'll be writing to you in March or before your renewal period to provide you with the details of your new contribution amount. If you haven't received a letter from us by late March or 14 days before your renewal period, please contact your Member Relations Team.

When is the rate adjustment effective from?

The 2019 rates will apply from 1 April 2019, if your plan renews at this time of the year. Payments received for any period up to and including 31 March 2019 will be calculated at your current contribution rate.

Please keep in mind that this increase in your contributions is different to the rate adjustment due to the government's change to the Australian Government Rebate on private health insurance.

What if I have pre-paid my contributions in advance?

If your membership is paid in advance, the new contribution rate will take effect from your next payment date from 1 April 2019.

I pay my GU Health contributions via payroll deductions. Do I need to notify my pay office?

If you're paying via payroll deduction, we'll let your payroll department know of any changes to your membership contributions.

I've received a letter about my rates increasing but the details are incorrect.

The information in the letter we sent to you is based on your membership details we had for you on 20 February 2019. Any membership changes that were made after this date aren't shown in the letter. If you would like to confirm your current details, please contact us.

Are you going to be raising rates again this year?

The Federal Government reviews private health insurance pricing once each year. The pricing changes are effective from 1 April, however when this applies to you will be dependent on your plan's renewal date.

You can be assured that when we review membership costs every year, we do consider the financial impact this may have on our members and try to minimise any major increases.

Is GU Health implementing the changes announced by the Federal Government as part of the recent private health insurance reforms?

Yes, and you will have received a letter and information pack from us earlier in 2019 regarding these reforms. Some private health industry-wide reforms will take effect from 1 April 2019 and these will result in adjustments to our existing health plans. This includes the removal of several natural therapy services under our extras cover.

However, the main impact of the reforms has meant your hospital product now has a new name and falls into one of four tiers: Gold, Silver, Bronze or Basic.

Each product tier has a minimum list of services that must be included. The aim of this is to provide you with more certainty about the hospital services you are covered for. To align with these reforms several of our hospital covers have had services added or removed.

If a service has been removed from your hospital cover, and you wish to retain that service, you must upgrade your plan before 1 April 2019 to avoid re-serving the waiting period for that service.

If, however, a service has been removed from your hospital cover and you wish to upgrade to a higher level of cover for that service than you previously had on your plan, you will need to re-serve the waiting period for the higher benefit.

Regardless of whether you retain or upgrade a service on your hospital cover, you will need to complete any existing waiting period before you can claim for that service on your plan.

If you choose to upgrade your cover after 1 April 2019, standard waiting periods will apply for new services gained, including the services that were removed on 1 April 2019.

For more details on the reforms, please refer to the Private Health Insurance Reforms Fact Sheet on our website: guhealth.com.au.

FAQs_Rate Review_MEMBER – Date of creation 20 February 2019

continued over page ►

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Frequently Asked Questions ...continued

Are other funds implementing a rate change?

Most funds are reviewing their rates. You can view the average fund increase on the Department of Health's website:

health.gov.au.

Why should I keep my health cover?

Private health insurance will continue to:

- provide you with your choice of hospital and accommodation
- allow you to choose the doctor who treats you
- enable shorter waiting times for many elective surgery procedures in private hospitals vs. public hospitals
- offset the expense of dental and other extras if you have extras cover
- exempt you from the Medicare Levy Surcharge (if it applies to you), if you have a compliant hospital cover for yourself and all your dependants.

Why is my plan increase different to the average GU Health increase on the Department of Health's website?

The Department of Health only publishes an average contribution increase across all plans. The cost of each plan varies based on a variety of factors, including the level of benefits we pay, the amount of claims we have paid in the past and projected in the future as well. Also as GU Health is a corporate health fund, not all of our client groups renew at the same time of year and this affects how the Department of Health calculates our average price increase. For more information visit: health.gov.au.

I've heard the Rebate I'm currently entitled to will be adjusted on 1 April 2019. Can you tell me why?

On 1 April each year, the Federal Government adjusts the Australian Government Rebate on private health insurance, and all Australian health funds are required to implement this change. This means that the amount of Rebate you receive (if any) is likely to slightly decrease.

The Department of Health includes information on how the Rebate is calculated on their website: health.gov.au, alternatively, you can them on: **1800 020 103**.

The income thresholds will also help you to determine your Rebate entitlement, which will still be dependent on your age and income.

See the income threshold table below:

Income thresholds effective from 1 April 2015 to 30 June 2021

	Base Tier	Tier 1	Tier 2	Tier 3
Singles	\$90,000 or less	\$90,001 – \$105,000	\$105,001 – \$140,000	\$140,001+
Families	\$180,000 or less	\$180,001 – \$210,000	\$210,001 – \$280,000	\$280,001+

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.

Will my contributions increase as a result of the Rebate change?

If you claim your Rebate as an up-front reduction in your GU Health contributions, you'll see a slight increase in your contributions from 1 April as a result of the adjustment.

If you're not claiming the Australian Government Rebate on private health insurance as an up-front reduction in your membership contributions, you won't experience an increase in your contributions due to Rebate changes. However, if you apply for a Rebate at tax time, the Australian Taxation Office will determine your Rebate entitlement, if any.

Will I receive a letter outlining my new Rebate amount?

If your plan renews on 1 April, you'll receive a rate review letter from us detailing how the latest Rebate changes affect you and any other changes to your contributions. This letter is due to reach you by mid-March 2019. If your health plan renews on another date, and you're affected by the Rebate changes, you'll receive a letter which is also due to be sent by mid-March.

You'll receive a letter if you claim the Rebate on your membership and are:

- on a voluntary plan and responsible for the cost of your cover
- on a corporate plan where your contributions are shared between you and your employer.

You'll not receive a letter relating to Rebate adjustment if you:

- don't claim the Rebate
- are on Rebate Tier 3
- are on a fully-funded plan with contributions covered by your employer
- are on an overseas visitors plan and you're not from a country that has a Reciprocal Health Care Agreement (RHCA) with Australia.

The following countries have a Reciprocal Health Care Agreement (RHCA) with Australia: Belgium, Finland, Italy, Malta, The Netherlands, New Zealand, Northern Ireland, Norway, Republic of Ireland, Slovenia, Sweden and the United Kingdom.
All other countries are considered non-RHCA countries.

For more information go to our website: guhealth.com.au, click on 'My membership', scroll down to 'Non-resident information' and click on 'Access to Medicare'.

Are the Rebate changes only applicable to GU Health? What about other health funds?

Changes to the way the Rebate is calculated is based on Federal Government legislation and implemented by the Department of Health. All registered health funds in Australia must comply with the Department of Health's instructions on how and when to implement the change.

We're here to help

If you have any questions about your cover, please contact your Member Relations Team on:

1800 249 966 between

8.30am to 5pm (AEST),

Monday to Friday or email:

corporate@guhealth.com.au ●

