Australian Government
Department of Home Affairs

ADEQUATE HEALTH INSURANCE FOR VISA HOLDERS – FACTSHEET

Who is required to have adequate health insurance?

It is a criterion for the grant of a number of visas that the visa applicant gives the Department evidence of adequate arrangements for health insurance during the period of the applicant's intended stay in Australia.

Additionally, some visas are subject to condition 8501. Condition 8501 provides that the '*the [visa] holder must maintain adequate arrangements for health insurance while the holder is in Australia'*.

Condition 8501 is mandatory for some visas, and discretionary for others. Where condition 8501 is mandatory it applies to the visa as a matter of law. Where it is discretionary, it will only apply to the visa where the delegate has exercised their discretion to apply it. You can check your visa conditions online using the Visa Entitlement Verification Online (VEVO) service.

If you are the holder of a Subclass 500 (Student) visa, your visa will be subject to condition 8501 and you must have Overseas Student Health Cover (OSHC) while you are in Australia.

What is adequate health insurance?

At a minimum, it is recommended that your private health insurance policy covers the following:

- out-of-hospital medical services, such as visits to the doctor (GP), specialist consultations, pathology tests, x-rays, etc
- hospital treatment in a public or private hospital
- medical devices and human tissue products (prostheses)
- pharmaceuticals, including prescription medicines
- ambulance services, including inter-hospital transfers and emergency treatment

Visit the Department of Home Affairs website, Adequate health insurance for visa holders, for further information.

Out-of-hospital medical services

Out-of-hospital medical services include things like visits to the doctor (GP), specialist consultations, pathology tests, x-rays, etc

There may be instances where medical services are provided in a hospital environment by a treating physician, such as in an outpatient department. Providing that the patient is not admitted to hospital, the services provided are still considered to be out-of-hospital medical services.

Why do I need adequate health insurance?

Medicare is Australia's universal health insurance scheme. Medicare covers the costs of health care provided in a public hospital as a public patient, covers or subsidises the costs of doctor visits (GPs and specialists) and subsidises the costs of some medicines.

In the majority of cases, visitors to Australia are not eligible for Medicare, and are therefore responsible for all health care costs incurred during their stay. This includes care provided in both a public and private hospital setting.

Eligibility for Medicare is restricted to:

- Australian citizens;
- Australian permanent visa holders;
- New Zealand citizens who are lawfully present in Australia;
- Resident Return visa holders;
- Applicants for permanent residency (conditions apply);
- Temporary visa holders covered by a Ministerial Order; and
- Citizens or permanent residents of Norfolk Island, Cocos (Keeling) Islands, Christmas Island or Lord Howe Island.

You may also be eligible for Medicare if you're visiting from a Reciprocal Health Care Agreement country (RHCA). Find out more about RHCAs on the Services Australia website.

It is strongly recommended that all visitors to Australia who are not eligible for Medicare obtain private health insurance (regardless of whether it is a condition of their visa) to ensure they are covered for any health care costs they may incur while they are in Australia.

A person who is not covered by Medicare will be considered a private patient when receiving health care in Australia. Any costs incurred by private patients that are not covered by private health insurance must be paid by the private patient at the time of treatment. This will apply whether a person receives health care in the public system, or the private health care system in Australia. For routine health care in Australia, an appointment with a general practitioner (GP) is normally the most cost-effective solution.

How do I buy private health insurance?

It is recommended that visitors to Australia visit the Australian Government website, Private Health, for comprehensive, independent private health insurance information.

Visitors to Australia are encouraged to shop around to get the best value private health insurance product for their time in Australia. Private Health cover provided by Australian or overseas health insurance companies may be acceptable.

You are strongly encouraged to compare policies and to carefully review what is and is not covered to ensure that the insurance product you select is sufficient for the purposes of condition 8501 and meets your individual health care needs. Some products may include information notices stating that they do not satisfy visa condition 8501.

What is a waiting period?

A waiting period is a set amount of time you must wait after starting your health insurance policy before you can claim certain benefits. Your insurance policy will set out the waiting periods for your selected product.

We suggest you purchase a product that has maximum waiting periods no higher than those set by the Australian Government for OSHC products. These maximum waiting periods, from the policy start date, include:

- 12 months for pregnancy and birth related treatments (obstetrics) and 0 months for policies of 2 years duration or more,
- 12 months for pre-existing conditions,
- 2 months for psychiatric treatments, rehabilitation or palliative care, even for a pre-existing condition,
- 2 months for all other treatments.

Excess, co-payment or patient contribution

An excess, co-payment, and patient contribution are out-of-pocket costs. An excess is a one-off lump sum paid per hospital stay or year, a co-payment is a daily fee for each day in hospital, and a patient contribution broadly refers to any personal share of medical costs.

Australian registered private health insurers may apply an excess, co-payment or patient contribution to their insurance products. It is recommended that you take note of the excess, co-payment and patient contributions that may apply.

In terms of hospital charges for private patients, many private health insurers have agreements with private hospitals. If your insurer has an agreement with the private hospital, you may either:

- pay no out of pocket cost for hospital charges; or
- pay an agreed amount according to your policy.

If you are admitted as a private patient to a hospital that doesn't have an agreement with your insurer you might have to pay high out of pocket costs.

Before presenting at a private hospital for non-emergency treatment, you should check whether your insurer has an agreement with the hospital, and the out-of-pocket costs you will be required to pay. If presenting at a non-contracted hospital be sure to get an estimate of costs before you agree to have treatment. Find out more about out-of-pocket costs on the Private Health website.

Higher Level Cover

You can choose to buy cover above the minimum we suggest. Higher levels or cover are more expensive and include all the basic services listed above, plus services such as dental, physiotherapy, optical services, private psychology, counselling and repatriation. Each insurer provider offers different services under these higher-level products, so it is a good idea to compare insurers and products.

Seeking treatment and making a claim

Emergencies

In an emergency, seek care immediately (dial 000 or attend an emergency department). When you can, contact your insurer to discuss your care and costs. Waiting periods do not apply for 'emergency treatment'. The costs of emergency treatment may not be covered by your insurer for some pre-existing conditions. Always check the terms and conditions of any policy you are purchasing.

All other Medical Care

For treatment other than for emergencies, always check with your insurer before you agree to treatment. You may not be covered and have to pay the costs. Most insurers can also help you find care.

Your insurer will explain how you can make a claim. There may be more than one way to make a claim.

More Resources

- The Australian Government's Private Health website
- The Department of Home Affairs' Adequate health insurance for visa holder's webpage
- Services Australia's Reciprocal Health Care Agreements webpage
- Services Australia's Enrolling in Medicare if you're a temporary resident covered by a Ministerial Order webpage
- The Department of Health, Disability and Ageing's OSHC resources webpage