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Subject Health cover deadline looming for people aged 31

Delaying any decision to take up private health insurance has the potential to cost people more money – especially those who are 31 years of age.

According to nib Managing Director Mark Fitzgibbon, those aged 31 who take out and maintain private health cover by 1 July will avoid the Federal Government's Lifetime Health Cover loading and benefit from lower premiums throughout their life compared to those that don't.

"There is no doubt that the current financial environment is having an impact on the average household budget and more than ever we all want to minimise unnecessary expenses," Mr Fitzgibbon said.

"The Lifetime Health Cover loading is one such expense that people aged 31 are faced with if they delay taking out private health insurance."

Lifetime Health Cover is an initiative introduced by the Federal Government in 2000 to encourage all Australians to take out private health insurance. It applies a 2% loading on top of your hospital cover every year after your 31st birthday that you don't have hospital cover.

"This means for example, if you take out hospital cover for the first time at the age of 40, you'll pay an extra 20% on top of your premium. If you wait until you're 50 years old, that's an extra 40%," Mr Fitzgibbon added.

"The additional costs soon accumulate, but can be easily avoided.

"Taking out hospital cover now is a simple and effective way to make significant savings in the future and ensure that you receive the best hospital treatment when you really need it."

Mr Fitzgibbon also said that further savings can be made by taking advantage of the Federal Government's 30% Private Health Insurance Rebate.

To find out more about Lifetime Health Cover and other government rebates, as well as nib's range of health insurance products, contact nib's Customer Care Centre on 13 14 63 or visit nib.com.au.

FOR FURTHER INFORMATION:

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