



Australian Government

Private Health Insurance Ombudsman

What are exclusions and restrictions?

Some health insurance policies give you full cover for the costs of most hospital admissions, apart from any excess or co-payment you agree to pay. Other policies restrict or exclude benefits for some treatments, in return for a lower premium:

- Exclusions: you agree not to be covered at all for certain services.
- Restrictions: you agree to receive only limited benefits for certain services.

Exclusions

If your policy has exclusions for particular conditions, you are not covered for treatment as a private patient in a public or private hospital for those conditions.

For example, if your policy excludes cardiac services and you go into hospital as a private patient for cardiac surgery, your health fund will not pay any benefits towards your hospital and medical costs.

Restrictions

If your policy has restrictions for some conditions, you will be covered for treatment for those conditions, but only to a very limited extent.

For example, if your policy restricts hip replacement, you will be covered for this as a private patient in a *public* hospital. However, if you go into hospital as a private patient in a *private* hospital, your health fund will not pay any benefits towards the theatre fees and only a small benefit towards your accommodation fee. This means you will face considerable out-of-pocket costs.

Policy Exclusions and Restrictions

What your private hospital insurance policy doesn't cover

What types of procedures are restricted and/or excluded?

Health fund policies can vary greatly. Some policies may have restrictions and exclusions, while others may have restrictions or exclusions. The most commonly excluded or restricted services include:

- Cardiac and cardiac related services (heart investigations and surgery);
- Cataract and eye lens procedures (eye surgery);
- Obstetrics (pregnancy and birth related services);
- Assisted reproductive services (infertility services);
- Hip and knee replacements (joint surgery);
- Rehabilitation and psychiatric services;
- Plastic and reconstructive surgery (e.g. skin grafts following burns, skin flap repair and breast reconstructions following cancer).

Other restrictions or exclusions may apply to your policy – check with your fund for details.





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How can restrictions and exclusions affect you?

We cannot always foresee what services we will need and when we will need them. If you have purchased a policy with exclusions or restrictions and then require these services, you may have to wait for a prolonged period of time to be able to receive these services or you may personally have to pay for the procedure or service yourself to be able to access it as a private patient.

The Ombudsman's advice to consumers is to consider taking a higher level of excess, rather than a restriction or exclusion, to save money on premiums.

What you can do

Make sure you understand any restrictions or exclusions applying to your policy. Review your policy every year to ensure it will meet your health needs over the coming year, particularly if you are thinking of starting a family or your health needs are changing as you age.

You can upgrade your private health insurance policy to include the services you require as a private patient. However you will have to wait for 12 months before you are entitled to these services on your new policy if the treatment you require is for maternity services (obstetrics) or a pre-existing condition. If you need more immediate treatment for an excluded or restricted service, you should discuss your treatment options with your doctor or consider covering the cost of the treatment yourself.

Some policies also apply Benefit Limitation Periods (BLPs) of 24, 36 or more months on certain procedures such as joint replacements. BLPs usually commence after you have completed your standard waiting period. During this period, you are only entitled to restricted benefits. If you are unsure about the details of any benefit limitation period on your policy, you should ask your health fund.

More information

To check and upgrade your cover, contact your health fund.

For general information about private health insurance and to compare health insurance policies, contact the Private Health Insurance Ombudsman:

Websites: www.phio.org.au and www.privatehealth.gov.au

Phone: 1300 737 299

Making A Complaint

If you have a complaint about your health fund, you can contact the Private Health Insurance Ombudsman on the **Complaints Hotline** 1800 640 695 or www.phio.org.au for assistance.