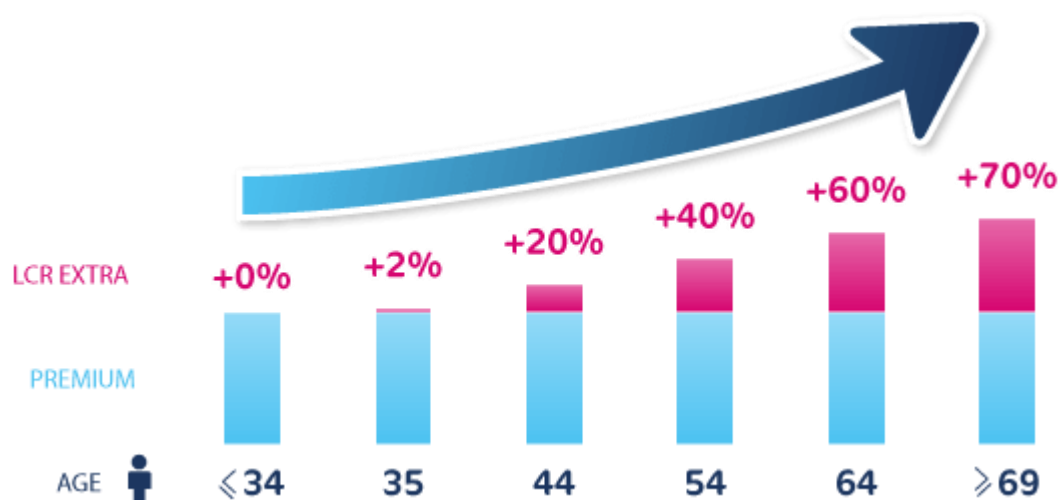


Lifetime Community Rating

Cost of health insurance premiums for new subscribers – after 30th April 2015



It mounts up, doesn't it?

There's a real saving if you take out your first health insurance either on or before 30th April 2015, or before you turn 35. If you do, you don't have to pay any additional premium as you grow older.

What is Lifetime Community Rating?

Lifetime community rating modifies community rating so that the premium that individuals pay for health insurance increases with the age at which they enter the private health insurance market. It does not vary in relation to their current age. Under this system, a 50 year old who has held insurance since he or she was 30 would pay the same as a 30 year old, but a 50 year old who purchases insurance for the first time after **APRIL 30th 2015** would pay more than a 30 year old.

Why is Lifetime Community Rating being introduced?

Community rated markets depend on a continuing influx of younger people. Younger people claim less on average and, accordingly, a continuing influx of younger people keeps premiums down for everybody. Conversely, if people wait until they are older before taking out private health insurance, premiums will increase for everybody. Lifetime Community Rating encourages people to join the private health insurance (PHI) market at a younger age and this will help in controlling premium inflation.

When is lifetime community rating being introduced?

Loadings will apply to people aged higher than 34 taking out inpatient private health insurance for the first time after 30 April 2015.

What loadings will apply? A loading of 2% of the gross premium will apply for every year of age higher than age 34 that an individual has attained when they first purchase inpatient private health insurance after 30 April 2015.

Will I have to pay a loading for the rest of my life?

Yes, the loading will apply throughout life when a person purchases inpatient health insurance after 30 April 2015.