Private Health Insurance Legislation Amendment Act 2018

No. 101, 2018

An Act to amend laws relating to private health insurance, and for other purposes

Note: An electronic version of this Act is available on the Federal Register of Legislation (https://www.legislation.gov.au/)

Contents

Private Health Insurance Legislation Amendment Act 2018

No. 101, 2018

An Act to amend laws relating to private health insurance, and for other purposes

[*Assented to 21 September 2018*]

The Parliament of Australia enacts:

1 Short title

This Act is the *Private Health Insurance Legislation Amendment Act 2018*.

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information

Column 1	Column 2	Column 3
Provisions	**Commencement**	**Date/Details**
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	21 September 2018
2. Schedules 1 and 2	1 April 2019.	1 April 2019
3. Schedule 3	The day after this Act receives the Royal Assent.	22 September 2018
4. Schedule 4	The day after this Act receives the Royal Assent.	22 September 2018
5. Schedule 5, Parts 1 and 2	1 April 2019.	1 April 2019
6. Schedule 5, Part 3	1 January 2019.	1 January 2019
7. Schedule 5, Part 4	The day after this Act receives the Royal Assent.	22 September 2018

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule

concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Increasing maximum excess levels

Private Health Insurance Act 2007

1 At the end of Chapter 2

Add:

Part 2-4—Excess levels for medicare levy and medicare levy surcharge purposes

Division 42—Introduction

42-1 What this Part is about

This Part sets out the excess levels for complying health insurance products that relate to whether a person is liable to pay medicare levy or medicare levy surcharge.

Division 45—Excess levels for medicare levy and medicare levy surcharge purposes

45-1 Excess level amounts

For the purposes of the *A New Tax System (Medicare Levy Surcharge—Fringe Benefits) Act 1999* and the *Medicare Levy Act 1986*, any excess payable in respect of benefits under a *complying health insurance policy that provides *hospital cover must not be more than:

(a) $750 in any 12 month period, in relation to a policy under which only one person is insured; and

(b) $1,500 in any 12 month period, in relation to any other policy.

2 Application

The amendment made by item 1 of this Schedule applies in relation to the 2018-19 income year and later income years.

Schedule 2—Age-based discounts for hospital cover

Part 1—Main amendments

Private Health Insurance Act 2007

1 Paragraph 55-5(2)(c)

Repeal the paragraph, substitute:

(c) the age of a person, except to the extent allowed under:

(i) Part 2-3 (lifetime health cover); or

(ii) subsection 63-5(4); or

(iii) section 66-5, because of the reason mentioned in paragraph 66-5(3)(ea); or

2 After paragraph 66-5(3)(e)

Insert:

(ea) because a person insured under the policy is entitled to an age-based discount in the circumstances set out in the Private Health Insurance (Complying Product) Rules;

Part 2—Consequential amendments

Age Discrimination Act 2004

3 Schedule 2 (table item 9A, column headed "Provision(s)")

Omit "Part 2-3 and subsection 63-5(4)", substitute "Part 2-3, subsection 63-5(4) and paragraph 66-5(2)(a), because of the reason mentioned in paragraph 66-5(3)(ea)".

4 Schedule 2 (after table item 9A)

Insert:

10	*Private Health Insurance (Complying Product) Rules* made under the *Private Health Insurance Act 2007*	rules made for the purposes of the reason mentioned in paragraph 66-5(3)(ea) of the *Private Health Insurance Act 2007*

Schedule 3—Private Health Insurance Ombudsman's powers

Ombudsman Act 1976

1 After Division 3 of Part IID

Insert:

Division 3A—Inspection and audit

Subdivision A—Inspection and audit

20SA Powers to conduct inspections and audits

The Private Health Insurance Ombudsman may:

(a) at any reasonable time of the day, enter:

(i) a place occupied by a private health insurer or private health insurance broker; or

(ii) a place occupied by a person predominantly for the purpose of performing services for, or on behalf of, a private health insurer or private health insurance broker; or

(iii) a place where documents or other records relating to a private health insurer, a private health insurance broker or the carrying on of health insurance business are kept; and

(b) may exercise the following powers in relation to the place:

(i) the power to inspect any documents or other records to verify evidence provided in relation to a complaint made under Division 3;

(ii) the power to take extracts from, or make copies of, any such document or other record.

Note: See also sections 20ZHA and 20ZHB.

Subdivision B—Recommendations and reports

20SB Recommendation and reporting powers as a result of inspection or audit

Recommendations to insurers or brokers

(1) After exercising powers under section 20SA, the Private Health Insurance Ombudsman may make recommendations under this section.

(2) The Private Health Insurance Ombudsman may recommend either or both of the following:

(a) to a private health insurer, that the insurer take a specific course of action or make changes to its rules, or both;

(b) to a health care provider or private health insurance broker, that the provider or broker take a specific course of action.

(3) The Private Health Insurance Ombudsman may, by written notice given to the person to whom the recommendation was made, or an officer of that person, require the person to report to the Private Health Insurance Ombudsman, before action is taken to give effect to the recommendation, on the action proposed to be taken. The notice must specify the period within which the report is to be given.

Reports to the Health Minister

(4) After exercising powers under section 20SA, the Private Health Insurance Ombudsman may:

(a) report to the Health Minister on any recommendations made to a private health insurer or private health insurance broker and any responses to those recommendations; or

(b) report to the Health Minister on any recommendations to general changes in regulatory practice or industry practices relating to the kind of issues raised as a result of the exercise of those powers.

(5) If the Private Health Insurance Ombudsman provides a report to the Health Minister, as mentioned in subsection (4):

(a) the report must refer to the Private Health Insurance Ombudsman's exercise of powers under section 20SA; and

(b) the Private Health Insurance Ombudsman must notify any private health insurer or private health insurance broker named in a report provided to the Health Minister of that fact, unless doing so would, or could be reasonably expected to, prejudice the conduct of a current or pending investigation.

2 After section 20T

Insert:

20TA Powers to inspect documents etc.

For the purposes of conducting an investigation under this Division, the Private Health Insurance Ombudsman may:

(a) at any reasonable time of the day, enter:

(i) a place occupied by a private health insurer or private health insurance broker; or

(ii) a place occupied by a person predominantly for the purpose of performing services for, or on behalf of, a private health insurer or private health insurance broker; or

(iii) a place where documents or other records relating to a private health insurer, a private health insurance broker or the carrying on of health insurance business are kept; and

(b) exercise the following powers:

(i) the power to inspect any documents or other records;

(ii) the power to take extracts from, or make copies of, any such document or other record.

Note: See also sections 20ZHA and 20ZHB.

3 After paragraph 20ZG(6)(c)

Insert:

(ca) a summary of the exercise of powers during the period by the Private Health Insurance Ombudsman under section 20SA;

4 After section 20ZH

Insert:

20ZHA Announcement before entry

(1) This section applies if the Private Health Insurance Ombudsman:

(a) enters a place mentioned in paragraph 20SA(a) for the purposes of conducting an inspection and audit; or

(b) enters a place mentioned in paragraph 20TA(a) for the purposes of conducting an investigation under section 20T.

(1A) Before entering the place, the Private Health Insurance Ombudsman must give the occupier of the place at least 48 hours' written notice of the Private Health Insurance Ombudsman's intention to enter the place.

(2) Before entering the place, the Private Health Insurance Ombudsman must show the Private Health Insurance Ombudsman's identity card to the occupier of the place, or to another person who apparently represents the occupier, if the occupier or other person is present at the place.

Note: See also section 20ZIA.

20ZHB Responsibility to provide facilities and assistance

(1) A person commits an offence if:

(a) the person is the occupier of, or is in charge of, a place mentioned in paragraph 20SA(a); and

(b) the Private Health Insurance Ombudsman exercises, or purports to exercise, the powers mentioned in paragraph 20SA(b) in relation to the place; and

(c) the person does not provide the Private Health Insurance Ombudsman with reasonable facilities and assistance for the effective exercise of those powers.

Penalty: 30 penalty units.

(2) A person commits an offence if:

(a) the person is the occupier of, or is in charge of, a place entered mentioned in paragraph 20TA(a); and

(b) the Private Health Insurance Ombudsman exercises, or purports to exercise, the powers mentioned in paragraph 20TA(b) in relation to the place; and

(c) the person does not provide the Private Health Insurance Ombudsman with reasonable facilities and assistance for the effective exercise of those powers.

Penalty: 30 penalty units.

5 After section 20ZI

Insert:

20ZIA Identity cards

(1) The Private Health Insurance Ombudsman must issue an identity card to a person who exercises the powers mentioned in paragraph 20SA(b) or 20TA(b).

(2) The identity card must:
  (a) be in the form approved by the Private Health Insurance Ombudsman; and
  (b) contain a photograph that is no more than 5 years old of the person to whom it is issued.

(3) A person must carry an identity card at all times when exercising powers under section 20SA or 20TA.

(4) A person commits an offence of strict liability if:
  (a) the person ceases to be:
    (i) a member of staff mentioned in section 31; or
    (ii) a person to whom the Private Health Insurance Ombudsman has delegated powers under section 34 in relation to section 20SA or 20TA; and
  (b) the person does not, within 14 days of so ceasing, return the person's identity card to the Private Health Insurance Ombudsman.

Penalty: 1 penalty unit.

(5) Subsection (4) does not apply if the identity card was lost or destroyed.

Note: A defendant bears an evidential burden in relation to the matter in subsection (5) (see subsection 13.3(3) of the *Criminal Code*).

6 Subsection 34(2C)

Omit "to a member of staff mentioned in section 31 all or any of his or her powers or functions under this Act, other than his or her powers under section 20R and 20V", substitute "all or any of the Private Health Insurance Ombudsman's functions or powers under this Act (other than those under section 20R, paragraph 20SB(4)(b) and section 20V) to a person whom the Private Health Insurance Ombudsman considers has expertise appropriate to the function or power delegated".

8 Application

The amendments made by this Schedule apply in relation to a complaint made under Division 3 of Part IID of the *Ombudsman Act 1976* on or after the day this item commences.

9 Delegation

A delegation in force under subsection 34(2C) of the *Ombudsman Act 1976* immediately before the day this item commences has effect on and after that day as if it were a delegation made under subsection 34(2C) of that Act as amended by this Schedule.

Schedule 4—Transitional provisions relating to the treatment of certain health insurance policies

1 Simplified outline of this Schedule

- An irregular health insurance policy is to be treated as a complying health insurance policy during the period:
  (a) beginning at the start of 1 April 2007; and
  (b) ending at the end of 30 June 2018.
- An irregular health insurance policy is a health insurance policy that includes one or more benefit limitation periods.
- If an amount paid by the Commonwealth to a private health insurer has become repayable because a health insurance policy was an irregular health insurance policy, the repayment of the amount is waived.
- If an amount paid by the Commonwealth to a person by way of an incentive payment has become repayable because a health insurance policy was an irregular health insurance policy, the repayment of the amount is waived.

2 Definitions

In this Schedule:

benefit limitation periods has the meaning generally accepted within the health insurance industry.

hospital-substitute treatment has the same meaning as in the *Private Health Insurance Act 2007*.

hospital treatment has the same meaning as in the *Private Health Insurance Act 2007*.

irregular health insurance policy has the meaning given by item 3.

private health insurer means:

(a) a body that is or was registered under Division 3 of Part 2 of the *Private Health Insurance (Prudential Supervision) Act 2015*; or

(b) a person who was registered under repealed Part 4-3 of the *Private Health Insurance Act 2007*; or

(c) an organisation that was covered by subsection 18(1) of the *Private Health Insurance (Transitional Provisions and Consequential Amendments) Act 2007*.

3 Irregular health insurance policy

(1) For the purposes of this Schedule, an insurance policy is an ***irregular health insurance policy*** at a particular time during the period:

(a) beginning at the start of 1 April 2007; and

(b) ending at the end of 30 June 2018;

if, at that time (apart from item 4):

(c) the insurance policy includes one or more benefit limitation periods; and

(d) the insurance policy is not a complying health insurance policy (within the meaning of the *Private Health Insurance Act 2007*); and

(e) the insurance policy would be a complying health insurance policy (within the meaning of that Act), if:

(i) the waiting period requirements in Division 75 of that Act; and

(ii) the portability requirements in Division 78 of that Act;

did not prevent the policy from including those benefit limitation periods.

(2) Subitem (1) has effect subject to subitem (3).

(3) For the purposes of this Schedule, if (apart from item 4):

(a) at a particular time during the period:

(i) beginning at the start of 1 April 2018; and

(ii) ending at the end of 30 June 2018;

an insurance policy included one or more benefit limitation periods that relate to:

(iii) hospital treatment that is psychiatric care; or

(iv) hospital-substitute treatment that is psychiatric care; and

(b) as a result, the policy is not a complying health insurance policy (within the meaning of the *Private Health Insurance Act 2007*) at that time;

the policy is not an ***irregular health insurance policy*** at that time.

4 Irregular health insurance policy to be treated as a complying health insurance policy

(1) The provisions of:

(a) the *Private Health Insurance Act 2007*; and

(b) any other law of the Commonwealth;

have effect, and are taken always to have had effect, as if section 63-10 of that Act had always provided that an insurance policy that was an irregular health insurance policy at a time during the period:

(c) beginning at the start of 1 April 2007; and

(d) ending at the end of 30 June 2018;

is taken, for the purposes of that Act, to be a complying health insurance policy at that time.

(2) Subitem (1) does not apply:

(a) in determining whether a person has committed an offence against section 84-1 of the *Private Health Insurance Act 2007*; or

(b) in determining the obligation of a court under subsection 84-1(2) of that Act; or

(c) in determining, for the purposes of subsection 84-10(1) of that Act, whether a private health insurer has engaged, is engaging, or is proposing to engage, in conduct:

(i) that contravenes or would contravene section 63-1 of that Act; or

(ii) that is or that would be an offence against section 84-1 of that Act; or

(d) in determining, for the purposes of subsection 84-10(2) of that Act, whether a refusal or failure:

(i) contravenes or would contravene section 63-1 of that Act; or

(ii) is or would be an offence against section 84-1 of that Act; or

(e) in determining, for the purposes of paragraph 84-15(a) of that Act, whether a private health insurer has engaged in conduct that contravenes section 63-1 of that Act or is an offence against section 84-1 of that Act; or

(f) in determining, for the purposes of paragraph 84-15(b) of that Act, whether a refusal or failure contravenes section 63-1 of that Act or is an offence against section 84-1 of that Act; or

(g) in determining the scope of a jurisdiction or power conferred on the Federal Court by section 84-10 or 84-15 of that Act.

(3) Subitem (1) does not apply:

(a) in determining, for the purposes of Chapter 5 of the *Private Health Insurance Act 2007*, whether a private health insurer may have, or has, contravened an enforceable obligation (within the meaning of that Act); or

(b) in determining the scope of a power conferred on the Minister by Chapter 5 of that Act; or

(c) in determining the scope of a jurisdiction or power conferred on the Federal Court by Chapter 5 of that Act.

(4) Subitem (1) does not apply so as to preclude any common law action that could (apart from that subitem) have been brought by the holder of an irregular health insurance policy against a private health insurer.

(5) This item has effect subject to subitems 5(3) and 6(3).

5 Waiver—reimbursement of private health insurer

Scope

(1) This item applies if (apart from item 4):

(a) before the commencement of this item, an amount (the ***relevant amount***) was paid to a private health insurer under, or purportedly under, Subdivision 279-A of the *Private Health Insurance Act 2007*; and

(b) the private health insurer was not entitled to receive the whole, or a part, of the relevant amount because, during the whole or a part of the period:

(i) beginning at the start of 1 April 2007; and

(ii) ending at the end of 30 June 2018;

one or more insurance policies were irregular health insurance policies; and

(c) as a result, the whole, or the part, as the case may be, of the relevant amount became repayable to the Commonwealth.

Waiver

(2) The repayment of the whole, or the part, as the case may be, of the relevant amount is waived.

Non-validation

(3) Item 4 does not operate to validate the whole, or the part, as the case may be, of the relevant amount.

6 Waiver—incentive payment

Scope

(1) This item applies if (apart from item 4):

(a) before the commencement of this item, an amount (the ***relevant amount***) was paid to a person under, or purportedly under, repealed Division 26 of the *Private Health Insurance Act 2007*; and

(b) the person was not entitled to receive the whole, or a part, of the relevant amount because, during the whole or a part of the period:

(i) beginning at the start of 1 April 2007; and

(ii) ending at the end of 30 June 2013;

one or more insurance policies were irregular health insurance policies; and

(c) as a result, the whole, or the part, as the case may be, of the relevant amount became repayable to the Commonwealth.

Waiver

(2) The repayment of the whole, or the part, as the case may be, of the relevant amount is waived.

Non-validation

(3) Item 4 does not operate to validate the whole, or the part, as the case may be, of the relevant amount.

Schedule 5—Miscellaneous

Part 1—Benefits for travel and accommodation

Private Health Insurance Act 2007

1 Paragraph 55-5(2)(d)

Repeal the paragraph, substitute:

(d) where a person lives, except to the extent allowed under subsection 66-10(2) or section 66-20 or 66-25; or

2 At the end of Division 66

Add:

66-25 Different amounts of benefits for travel or accommodation

Neither:

(a) the community rating principle in section 55-5; nor

(b) the community rating requirements in section 66-1;

prevents a private health insurer from determining a person's entitlement under a *complying health insurance policy to a benefit for travel or accommodation in respect of *hospital treatment or *general treatment based on the distance between the person's principal place of residence and the facility where treatment is provided.

3 After subsection 121-5(2)

Insert:

(2A) Without limiting subsection (1) or (2), ***hospital treatment*** also includes benefits for travel or accommodation relating to treatment covered by subsection (1) or (2).

4 Subsection 121-5(4)

Omit "and (2)", substitute ", (2) and (2A)".

5 After subsection 121-10(2)

Insert:

(2A) Despite paragraph (1)(b), ***general treatment*** also includes benefits for travel or accommodation relating to hospital treatment.

6 Subsection 121-10(3)

Omit "and (2)", substitute ", (2) and (2A)".

Part 2—Information requirements

Private Health Insurance Act 2007

7 Section 93-1 (heading)

Omit "**standard information statements**", substitute "**private health information statements**".

8 Subsection 93-1(1)

Omit "*standard information statement", substitute "*private health information statement".

9 Subsection 93-1(1A)

Omit "*standard information statement may be the standard information statement", substitute "*private health information statement may be the private health information statement".

10 Subsections 93-1(2) and (3)

Omit "*standard information statement", substitute "*private health information statement".

11 Paragraph 93-1(4)(a)

Omit "*standard information statement", substitute "*private health information statement".

12 Paragraph 93-1(4)(b)

Omit "standard information statement", substitute "private health information statement".

13 Section 93-5 (heading)

Omit "**standard information statement**", substitute "**private health information statement**".

14 Subsection 93-5(1)

Omit "***standard information statement***", substitute "***private health information statement***".

15 Subsection 93-5(2)

Omit "*standard information statements", substitute "*private health information statements".

16 Section 93-10 (heading)

Omit "**standard information statements**", substitute "**private health information statements**".

17 Paragraph 93-10(a)

Omit "*standard information statement", substitute "*private health information statement".

18 Paragraph 93-15(1)(a)

Omit "*standard information statement", substitute "*private health information statement".

19 Subsection 93-20(1)

Omit "*standard information statement", substitute "*private health information statement".

20 Paragraph 93-20(2)(b)

Omit "*standard information statements", substitute "*private health information statements".

21 Paragraph 93-20(2)(d)

Omit "standard information statement", substitute "private health information statement".

22 Section 96-1 (heading)

Omit "**standard information statements**", substitute "**private health information statements**".

23 Section 96-1

Omit "*standard information statements", substitute "*private health information statements".

24 Section 96-5 (heading)

Omit "**standard information statements**", substitute "**private health information statements**".

25 Section 96-5

Omit "*standard information statements", substitute "*private health information statements".

26 Section 96-10 (heading)

Omit "**standard information statements**", substitute "**private health information statements**".

27 Section 96-10

Omit "*standard information statements", substitute "*private health information statements".

28 Clause 1 of Schedule 1

Insert:

private health information statement is defined in section 93-5.

29 Clause 1 of Schedule 1 (definition of *standard information statement*)

Repeal the definition.

30 Clause 1 of Schedule 1 (definition of *up to date*)

Repeal the definition, substitute:

up to date, in relation to a *private health information statement, is defined in subsection 93-1(2).

Part 3—Benefit requirements according to class of hospital

Private Health Insurance Act 2007

31 After section 121-7

Insert:

121-8 Application for inclusion of hospital in a class

(1) A person may apply to the Minister for a *hospital to be included in a class set out in the Private Health Insurance (Health Insurance Business) Rules.

(2) The application must be:
  (a) in the *approved form; and
  (b) accompanied by any application fee imposed under the Private Health Insurance (Health Insurance Business) Rules.

121-8A Minister to decide application

(1) The Minister must consider whether a *hospital to which an application relates satisfies the assessment criteria set out in the Private Health Insurance (Health Insurance Business) Rules.

(2) If the *hospital satisfies the assessment criteria, the Minister must, within 60 days after the day the application is made:
  (a) include the hospital in a class set out in the Private Health Insurance (Health Insurance Business) Rules; and
  (b) notify the person, in writing, of:
    (i) the hospital's inclusion in a class set out in the Rules; and
    (ii) the day that the hospital is included in that class and the day that the hospital's inclusion in that class ends.

(3) If the *hospital does not satisfy the assessment criteria, the Minister must, within 60 days after the day the application is made:
  (a) notify the person, in writing, of that fact; and
  (b) provide reasons for the decision.

Note: A decision that a hospital does not satisfy the assessment criteria set out in the Private Health Insurance (Health Insurance Business) Rules is reviewable under Part 6-9.

121-8B Period of inclusion of hospital in a class

The inclusion of a *hospital in a class set out in the Private Health Insurance (Health Insurance Business) Rules:

(a) comes into force on the day specified in the notice referred to in subparagraph 121-8A(2)(b)(ii); and

(b) expires on the day specified in that notice, unless it is revoked earlier.

121-8C Revocation of inclusion of hospital in a class

The Minister may revoke the inclusion of a *hospital in a class set out in the Private Health Insurance (Health Insurance Business) Rules if the Minister considers that the hospital ceases to satisfy the assessment criteria set out in the Rules.

Note: A decision to revoke the inclusion of a hospital in a class set out in the Private Health Insurance (Health Insurance Business) Rules is reviewable under Part 6-9.

121-8D Private Health Insurance (Health Insurance Business) Rules

The Private Health Insurance (Health Insurance Business) Rules may provide for all or any of the following:

(a) for the purposes of this Part and Division 72—set out one or more classes of *hospital;

(b) impose an application fee for the purposes of section 121-8;

(c) set out assessment criteria for including a hospital in a particular class;

(d) set out matters of a transitional nature relating to the current arrangements for hospitals and the new application process provided for by section 121-8.

32 Section 328-5 (after table item 4A)

Insert:

5	To decide that a *hospital does not satisfy the assessment criteria set out in the Private	section 121-8A

	Health Insurance (Health Insurance Business) Rules	
6	To decide to revoke a *hospital's inclusion in a class set out in the Private Health Insurance (Health Insurance Business) Rules	section 121-8C

Part 4—Closed and terminated products

Private Health Insurance Act 2007

33 Section 55-10

Repeal the section, substitute:

55-10 Closed products, and terminated products and product subgroups

The principle of community rating in section 55-5 does not:

(a) prevent a private health insurer from closing a *complying health insurance product, such that the *product will not be available to anyone except those persons, who at the time of closing, are insured under a policy forming part of the product; or

(b) prevent a private health insurer from terminating a complying health insurance product or a *product subgroup of a complying health insurance product, such that:

(i) in the case of a product—the product will not be available to any person insured under a policy forming part of the product; and

(ii) in the case of a product subgroup—the product subgroup will not be available to any person insured under a policy that belongs to the product subgroup.

34 Subsection 78-1(1)

Omit "and (4)", substitute ", (4) and (5A)".

35 After subsection 78-1(5)

Insert:

(5A) An insurance policy meets the requirement in this subsection if:

(a) the policy forms part of a *complying health insurance product or belongs to a *product subgroup of a complying health insurance product; and

(b) the *product or product subgroup is being terminated by the private health insurer, and as a consequence, an *adult

insured under the policy is to be transferred to a new policy; and

(c) the insurer informs the adult insured under the policy, in writing, of the matters set out in the Private Health Insurance (Complying Product) Rules; and

(d) the adult insured under the policy is informed of those matters a reasonable time before the transfer to the new policy is to take effect.

Note: See also section 55-10.

[*Minister's second reading speech made in—*
House of Representatives on 28 March 2018
Senate on 18 June 2018]

(60/18)