



Private Health Insurance (Incentives) Rules 2012

I, RICHARD MAGOR, delegate of the Minister for Health, make these Rules under item 1 of the table in section 333-20 of the *Private Health Insurance Act 2007*.

Dated 17 May 2012

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Part 1 Preliminary

1. Name of Rules

These Rules are the *Private Health Insurance (Incentives) Rules 2012*.

2. Commencement

These Rules commence on the day after registration.

3. Revocation

These Rules revoke and replace the *Private Health Insurance (Incentives) Rules 2007*.

4. Definitions

Note: Terms used in these Rules have the same meaning as in the Act—see section 13 of the *Legislative Instruments Act 2003*. These terms include:

complying health insurance policy
incentive payments scheme
participant
participating insurer
premiums reduction scheme
private health insurer
standard information statement

In these rules:

30% Rebate logo means the logo that insurers were required to use under the *Private Health Insurance (Incentives) Rules 2007*.

Act means the *Private Health Insurance Act 2007*.

Australian Government Rebate on private health insurance means:

- (a) the incentive payments scheme; or
- (b) the premiums reduction scheme; or
- (c) the private health insurance tax offset.

eligible person has the same meaning as in subsection 3 (1) of the *Health Insurance Act 1973* and includes a person who is treated as an eligible person under sections 6, 6A or 7 of that Act.

private health insurance tax offset means a tax offset, under the *Income Tax Assessment Act 1997*, for a premium, or in respect of a premium, paid under a complying health insurance policy.

Rebate logo means the logo described in rule 10.

Part 2 Premiums reduction scheme

5. Application

This Part applies in relation to financial years beginning on or after 1 July 2007.

6. Registration as a participant

For the purposes of paragraph 23-15 (1) (c) of the Act, the requirements for a person applying to a private health insurer to become a participant in the premiums reduction scheme are:

- (b) the person is an individual; and
- (c) the person is applying in respect of a complying health insurance policy under which each person covered by the policy is an eligible person.

Note: Division 23 provides for reductions in premiums paid by a person to an insurer. The insurer may claim reimbursement of such reductions under Division 279.

7. Entitlement to incentive payment

For the purposes of paragraph 26-1 (1) (c) of the Act, the requirements for a person to be entitled to a payment are:

- (d) the person is an individual; and
- (e) the person is applying in respect of a complying health insurance policy under which each person covered by the policy is an eligible person.

Note: Division 26 provides for a payment to the person if the person's premium has not been reduced under Division 23.

8. Conditions of participation

- (1) For the purposes of paragraph 206-1 (1) (b) of the Act, the following conditions are specified as conditions of participation in the premiums reduction scheme:
 - (a) on or before 15 July of each year after the commencement of the Act, the participating insurer must issue to each person who was a participant in respect of a complying health insurance policy on issue from the insurer during any time in the previous financial year, a written statement in accordance with rule 9, setting out:
 - (i) the amount of the premium paid for the policy during that financial year; and
 - (ii) the amount of the reduction, under the premiums reduction scheme, for the premium; and
 - (b) before the participating insurer increases the amount of the premium, the insurer must issue to each participant affected by the increase written notice of:

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- (i) the amount of the premium; and
 - (ii) the increase in the amount of the premium; and
 - (iii) the date when the increase takes effect; and
 - (iv) the fact that the dollar value of the reduction under the Australian Government Rebate on private health insurance has increased; and
 - (v) the new amount of the reduction; and
 - (vi) the new amount of the premium; and
 - (c) the insurer must use the phrase “Australian Government Rebate on private health insurance” or the Rebate logo in:
 - (i) advertisements for the Australian Government Rebate on private health insurance; and
 - (ii) annual statements under paragraph (a); and
 - (iii) written notices under paragraph (b); and
 - (iv) forms that are given in relation to the premiums reduction scheme; and
 - (v) correspondence relating to the premiums reduction scheme.
 - (d) notwithstanding paragraph (c), for any items listed under subparagraphs (i) to (v), an insurer may use any material containing the phrase ‘Federal Government 30% Rebate’ or the 30% Rebate logo until one year after the date of commencement of these Rules.

Note: Rule 1 sets out the details of the Rebate logo.

9. Requirements for statements to participants

- (1) A statement under paragraph 8 (1) (a) must not include, be included with or accompany:
 - (a) information, other than information permitted under subrule 9 (2); or
 - (b) a written notice of increase of premium under paragraph 8 (1) (b).
- (2) For paragraph 1 (a), information which is permitted to be included in a statement under paragraph 8 (1) (a) is all or any of the following:
 - (a) information that relates directly to the Australian Government Rebate on private health insurance;
 - (b) information provided in accordance with rule 6 of the *Private Health Insurance (Lifetime Health Cover) Rules 2007*;
 - (c) information about the medicare levy surcharge imposed under the *Medicare Levy Act 1986* or the *A New Tax System (Medicare Levy Surcharge — Fringe Benefits) Act 1999*;
 - (d) a standard information statement;
 - (e) information that the Department:
 - (i) has provided to a participating insurer; and
 - (ii) has identified as being available to be included with, or to accompany, a statement under paragraph 8 (1) (a);

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- (f) information required to be provided by the Act or any of the Rules made under the Act.

10. Rebate logo

- (1) The logo for the Australian Government Rebate on private health insurance is:



- (2) In any reproduction of the logo:
- (a) the portions other than the shaded areas of the umbrella must be black and white, as shown in subrule 0; and
 - (b) the shaded areas of the umbrella must be:
 - (i) in the case of monochrome reproduction — 60% black; and
 - in any other case — red (PMS 032).

Note

1. All legislative instruments and compilations are registered on the Federal Register of Legislative Instruments kept under the *Legislative Instruments Act 2003*. See www.frli.gov.au