

How to make the most of your health insurance.

Written by Sarah Archbold

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Abigail Koch, Comparethemarket.com.au's spokesperson has provided the following tips on how to make the most of your health insurance.

- 1. Increase your excess on hospital cover** – if you're not planning a trip to the hospital in the near future then an easy way to reduce your monthly premiums is to up your excess. We've looked at one family's policy and by increasing their excess from \$100 to \$400 they reduced their premiums by \$384 a year. Some policies also waive excesses altogether for day surgery and children, which can be really handy if you have accident prone kids.
- 2. Make the most of payment discounts** – keep your eyes peeled for funds that offer a discount if you elect to pay by direct debit. Some funds offer up to 4% off your annual premiums if you set up an automatic direct debit from your bank, building society or savings account.
- 3. Tailor your health policy to suit you** – request your annual claims statement from your current health fund to find out what you managed to claim for over the last 12 months. If your claimable benefits were lower than the premium you paid, then perhaps it's time to think about switching to a policy that's more valuable to your needs.
- 4. Do your homework on extras cover** – the amount of money you can claim back from your extras cover varies dramatically from fund to fund, so make sure you do your homework on claimable returns. Sometimes it can be better value to choose a fund that pays out a percentage of your bill for each treatment (e.g. 60%) rather than a fixed amount (e.g. \$30). Also, have a look at funds that have their own optical or dental centres, as they can charge lower prices and/or pay a higher benefit back to you.
- 5. Drop birth-related services if babies aren't on your radar** – if you're done having kids or you still haven't reached this life stage, then make sure you're not paying for birth-related services as this can push your premiums up considerably. In some cases, people

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paying for top hospital cover could reduce their annual premiums by as much as \$750 a year by removing pregnancy and sterilisation from their policy.

6. **Restricting your benefits could help you save** - consider switching to a fund that restricts benefits for a set time in order to bring down the price of your premium. If you know you want to be covered for certain treatments but don't expect to claim for a couple of years then benefit limitation periods may be an option and could help you save in the meantime.

7. **Make the most of free comparison sites** – comparing and switching health insurance policies can seem like a minefield but with up to \$1,500~ in potential savings it could make sense to switch. Use free comparison websites to quickly and easily compare the price, features and inclusions on a wide range of health insurance policies.

* *Calculation based on the average price of family health insurance policies purchased through comparethemarket.com.au over the past 12 months.*

~ *Families with the highest level of health insurance cover could save \$1500 a year by shopping around for a better deal without forfeiting their level of cover said Shaun Gath, CEO of the Private Health Insurance Administration Council.*

About ComparetheMarket.com.au

Comparethemarket.com.au is a comparison website making it easier and quicker for Australians to compare and buy products and services they rely on in their everyday lives. Whether you're looking for a good deal on your car insurance, health cover for you and your family, the lowest fuel prices in your area, or an energy provider that suits your needs, then go to comparethemarket.com.au. It's a completely free service and enables Australians to make purchasing decisions with greater knowledge, confidence and savings.

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[1] An independent survey carried out by Pure Profile on behalf of comparethemarket.com.au

. The 1000 respondents were individuals living in Australia with private health insurance. Respondents were an equal ratio of male to female, aged over 18 years old. Respondents were a representative of the Australian population NSW (30%), VIC (26%), QLD (18%), WA (11%), SA (7%), TAS (2%), ACT (2%), and NT (1%).