

The Australian Government Rebate on Private Health Insurance

If you're eligible for Australian Medicare and hold a current Medicare card, you may be entitled to the Australian Government Rebate on Private Health Insurance.



Australian Government rebate

Depending on your circumstances, including the type of health insurance policy that you hold, your age and your income, the Australian Government may contribute an amount (known as a 'rebate') towards the cost of your private health insurance premium. If you're eligible, it may reduce the cost of your premiums. You can choose to receive the rebate as a reduction to your premium to lower your upfront costs, or it can be calculated when you lodge your tax return.

The Australian Government reviews rebate percentages and income tier thresholds annually (although they may not change every year).

New income tier thresholds come into effect from 1 July 2024.

Private health insurance income thresholds

Your rebate entitlements will depend on your family income and age at the end of the income year (30 June). Your entitlement is also based on whether you are single or part of a family, and the age of the oldest person covered by your private health insurance policy.

The government has set four income thresholds and four corresponding rebate tiers. A lower income generally increases the rebate you receive, whereas a higher income generally lowers the rebate you receive (or you may not be entitled to any rebate at all). If eligible, people aged between 65-69 years and 70 years and above may be entitled to a higher rebate.

What if my employer pays my premiums?

You'll still be income tested to determine your entitlement to a private health insurance rebate. If you claim an incorrect rebate (premium reduction), it will be corrected through your tax return.

Rebate rates and income thresholds effective from 1 July 2024 to 30 June 2025

Tier	Applicable Rebate % [^]			Income Thresholds [^]	
	If oldest person is under 65 yrs	If oldest person is 65-69 yrs	If oldest person is 70+	Single	Couples/Family~
Base	24.608%	28.710%	32.812%	\$97,000 or less	\$194,000 or less
Tier 1	16.405%	20.507%	24.608%	\$97,001 - \$113,000	\$194,001 - \$226,000
Tier 2	8.202%	12.303%	16.405%	\$113,001 - \$151,000	\$226,001 - \$302,000
Tier 3	0%			\$151,001 or more	\$302,001 or more

[^]Applicable rebate percentage and income thresholds are reviewed annually by the Australian Government. ~Single Parents and couples (including de facto couples) are subject to family tiers. For families with children, the income thresholds are increased by \$1,500 for each Medicare Levy Surcharge dependant child after the first child.

To find out more join the upcoming webinar:

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Time:

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