What you need to know before you are admitted to a private psychiatric hospital

You may not realise until you are admitted to a private psychiatric hospital that your health insurance will not adequately cover you.

There have been a number of changes to the level of psychiatric cover offered by a number of private health insurance companies. Less than half of all policies on sale from the major insurers cover the cost of an admission to private psychiatric hospital. This document provides an update on the private health insurance options available to fund your treatment at a private psychiatric hospital.

Key points about private health insurance and psychiatric treatment:

- More than half of the policies on offer do not provide adequate cover for a stay in a private psychiatric hospital.
- Some insurers have moved psychiatric treatment from full benefits to a restricted benefit on some of their policies.
- If you are to be admitted to a day program at a private psychiatric hospital, you should check to ensure that your fund covers that particular program.
If you have private health insurance

Your private health insurance policy must cover basic in-patient psychiatric services. However, it may not fully cover your stay within a private psychiatric hospital.

Check your policy to see whether it says psychiatric services are:

- fully covered, or
- covered to a limited extent.

If you are to be admitted for a day program you should specifically check to see that your health fund will cover that particular program.

If your policy only covers psychiatric services to a limited extent this will leave you with significant out-of-pocket costs if you are admitted to a private psychiatric hospital.

To avoid out-of-pocket costs you can switch to another policy (either with your insurer or with a different insurer) that fully covers psychiatric treatment within a private hospital.

The maximum waiting time before you would be fully covered is two months. This applies if you stay with your current insurer or switch insurers.

Alternatively, you can take up a once-in-a-lifetime offer to upgrade your insurance immediately to access psychiatric care. You must have held your private health insurance hospital cover for at least two months to take advantage of this offer. Conditions apply.

Policies that cover psychiatric treatment may have a higher premium than your current policy.
If you do not have private health insurance but your doctor would like to admit you to a private psychiatric hospital then you can do either of the following things:

A. Take out private health insurance that fully covers psychiatric services and serve a two month waiting period.

B. Pay the out-of-pocket costs that will occur during your treatment or stay.
The steps to go through to ensure you are fully covered for private psychiatric treatment

**Do you have private health insurance?**

**Yes**
- Check to see if policy fully covers psychiatric services or only covers to a limited extent
  - Policy fully covers psychiatric services
    - You are entitled to be admitted to private psychiatric hospital with full benefits
  - Your policy only covers psychiatric services to a limited extent
    - You can switch to a policy that fully covers psychiatric services (either with existing insurer or with new insurer)
    - You can claim limited benefits and incur significant out of pocket expenditure or be unable to afford admission

**No**
- You can take out private health insurance that fully covers psychiatric services
- You can fund your own treatment and incur significant out of pocket costs or not be able to afford treatment
- Serve the two month waiting period
- You are entitled to be admitted to private psychiatric hospital with full benefits (including pre-existing conditions)

**Do you qualify for an immediate upgrade?**  
Conditions apply

**Yes**
- You are entitled to be admitted to private psychiatric hospital with full benefits (including pre-existing conditions)

**No**
- Serve the two month waiting period

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**Need further advice?**

You can obtain independent information about the range of health insurance policies that provide full coverage for psychiatric services through privatehealth.gov.au

If you have a specific complaint about your health insurance you may wish to contact the Office of the Private Health Insurance Ombudsman, Complaints Hotline on 1800 640 495, phio.org.au

*This document was produced by the Australian Private Hospitals Association*  
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