



Australian Government

Private Health Insurance Ombudsman

Mental Health Treatment and Private Health Insurance

Private cover for psychiatric services, rehabilitation and psychology

What is mental illness?

About one in five Australians will experience a mental illness, and most of us will experience a mental health problem at some time in our lives.

A mental illness or disorder is a health problem that significantly affects how a person feels, thinks, behaves, and interacts with other people. It is diagnosed according to standardised criteria. The term mental disorder is also used to refer to these health problems.

Mental illnesses are of different types and degrees of severity. Some of the major types are depression, anxiety, schizophrenia, bipolar mood disorder, personality disorders, and eating disorders.

Most mental illnesses can be effectively treated. Recognising the early signs and symptoms of mental illness and accessing effective treatment early is important. The earlier treatment starts, the better the outcome. A visit to a GP should be your first step in seeking help with your problem. Your GP can discuss any concerns you have and give you advice on what to do next.



Some aspects of mental health care can be covered on private health insurance, including hospital admissions and psychology services.

Private hospital insurance for psychiatric services and rehabilitation

To be covered as a private patient for psychiatric treatment or drug and alcohol rehabilitation, you can purchase a private hospital policy. Private hospital insurance covers the cost of hospital accommodation and a portion of the medical fees.

A hospital admission may be for an extended period but it can also be overnight or for a day admission only (where you are treated and discharged on the same day).

Waiting Periods

Unlike other pre-existing conditions, which normally require you to complete 12 months of membership before you can be covered for a hospital admission, psychiatric services and rehabilitation only require a 2 month waiting period, even if the condition is pre-existing. This means you can be covered 2 months after commencing a policy.

Restrictions and Exclusions

As not all hospital policies will give you full cover for psychiatric services and rehabilitation, take care to select a policy that does not restrict (only partially cover) these services. If you purchase a policy that restricts psychiatric services, then you will not be covered for most of the cost of hospital treatment as a private patient. If you aren't fully covered for these services on your current policy and do require hospital treatment, then you can upgrade your policy and complete the 2 month waiting period to be covered.



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Going to Hospital

Private hospital insurance will cover you as a private patient for the cost of accommodation and a portion of the medical fees. However, it won't cover all the costs associated with your admission. If you're expecting a hospital admission, you should contact your health fund, your hospital and your doctor to find out how much will be covered, how much you will have to pay, and any other expenses.

Some of the out-of-pocket expenses you may incur include:

- **Medical services incurred outside of hospital** including psychiatric consultations and check-ups. These costs, like your visits to your GP, can only be claimed on Medicare.
- **The 'gap' on medical services incurred while admitted to hospital.** Your health fund and Medicare will cover the equivalent of the Medicare Benefits Schedule fee, but the remainder is your own expense. Discuss the situation with your doctor – ask if he or she has a “no gap” or “known gap” agreement with your health fund and request a written quote of expenses at the start of your treatment.
- **Excesses and co-payments:** some health insurance policies require you to pay an excess or co-payment for admissions to hospital, which you will need to pay directly to the hospital.

General Treatment (Extras) Insurance for Psychology and Counselling

Some general treatment or extras policies you can purchase will also provide benefits towards psychology services and counselling. Your health fund will pay a set benefit or percentage of the cost of the service, and you pay the rest. Your provider needs to be registered with your health fund, so you should check this with your fund before sending in a claim.

The waiting periods, benefits and limits to claiming vary from fund to fund. For more information, you can review policies on www.privatehealth.gov.au or contact health funds directly.

More Information

For information on services, check the Community Help and Welfare Services and 24-hour emergency numbers in your local telephone directory. For immediate counselling assistance, contact **Lifeline** on 13 11 14 or www.lifeline.org.au. Lifeline can also supply you with contacts, further information and help.

To check and upgrade your private health cover, contact your health fund. For general information about private health insurance and to compare health insurance policies, contact the Private Health Insurance Ombudsman:

Websites: www.phio.org.au or www.privatehealth.gov.au

Phone: 1300 737 299

Making A Complaint

If you have a complaint about your health fund, you can contact the Private Health Insurance Ombudsman on the **Complaints Hotline** 1800 640 695 or www.phio.org.au for assistance.