SECOND-TIER TRANSITIONAL ARRANGEMENTS: EXTENDED ELIGIBILITY

On 1 January 2019, the Department of Health commenced the administration of the second-tier default benefits.

There are transitional arrangements to extend the second-tier default benefit eligibility expiry dates of some hospitals, without the need to go through a full application process. These come under Part 2A Rule 7E of the Private Health Insurance (Health Insurance Business) Rules 2018.

A hospital will get an extension of its second-tier default benefit eligibility expiry date if:

- it has second-tier default benefits in place on 1 January 2019; and
- its second-tier expiry date is less than 12 months before its current hospital accreditation expiry date

Table 1 – Transition arrangements example

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Status at 1/1/2019</th>
<th>Current Second-tier expiry date</th>
<th>Current Accreditation expiry date</th>
<th>Action required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital 1</td>
<td>Second-tier eligible</td>
<td>15/12/2019</td>
<td>30/9/2020 (less than 12 months’ gap)</td>
<td>This hospital falls under transitional arrangements. It needs to contact the Department to ask for an extension of its second-tier eligibility. This will be granted until 29/11/2020.</td>
</tr>
<tr>
<td>Hospital 2</td>
<td>Second-tier eligible</td>
<td>15/12/2019</td>
<td>30/3/2021 (more than 12 months’ gap)</td>
<td>This hospital does not fall under the transitional arrangements. It will need to reapply for second-tier eligibility prior to 15/12/2019, when it can provide evidence of its reaccreditation.</td>
</tr>
</tbody>
</table>

To review your current second-tier benefit expiry date, please refer to the declared hospital list with second-tier and neo natal on the Department’s website.

If you believe your facility/hospital qualifies for an extension to its second-tier default benefits eligibility expiry date, please provide a current copy of your hospital accreditation to phisecondtier@health.gov.au by 13 March 2019. You do not need to complete a full application or renewal form to access these transitional arrangements. There is no application fee for this process.

Once we confirm that your expiry date can be extended, we will advise you in writing via email and publish the new expiry date on the above website. Further information and resources are available at the second-tier default benefits page on the Department’s website.