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## Hospital costs and payments

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### Summary

- Public hospital healthcare is free to all Australian citizens and most permanent residents of Australia.
  - A combination of Medicare, private health insurance and personal payments covers the cost of treatment as a private patient in a public or private hospital.
  - Medicare does not cover ambulance and other emergency services.
  - Private health insurance gives you the choice to be treated in a private or public hospital and choose your doctor.
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When you go into hospital, there are different costs for your treatment. These hospital costs depend on whether you are in a public or private hospital, or have private health insurance. It is important to know what treatments you are covered for when you go to hospital, so you do not have any unexpected out-of-pocket costs after your hospital visit. You can choose to go into hospital as either a public or private patient. Even if you have private health insurance, you can still choose to be a public patient in a public hospital.

### Public hospital costs

Most treatment in Victoria's public hospitals is free for all Australian citizens and most permanent residents. These costs are mainly paid for by **Medicare**.

You will not have to pay for hospital clinical services, doctors' and specialists' fees, medication, hospital accommodation and operating theatre fees. However, you may have to pay extra costs for some services such as TV or internet connection.

If you are a private patient in a public hospital, Medicare covers 75 per cent of medical costs listed on the **Medicare Benefits Schedule** (MBS), and you have to pay for the rest of your hospital and medical costs. Your private health insurance may pay for some or all of these costs, depending on your plan.

### Ambulance

Medicare does not cover the costs of an ambulance or other emergency service to get you to hospital, unless you have a concession card or healthcare card. Ambulance fees can be expensive so it is recommended that you get ambulance cover through most private health insurance funds or from **Ambulance Victoria**.

### Private hospital costs

If you are a private hospital patient, Medicare covers 75 per cent of your hospital and medical fees, as long as the treatment is listed on the MBS. The rest of the hospital and medical fees are charged to you. How much money you get back from your private health insurance depends on the type of plan you have.

In private hospital, some of the things you may have to pay for include:

- 25 per cent of the Medicare fee for doctors' services
  - the difference between the doctor's fees and the Medicare payment
  - intensive care
  - hospital accommodation
  - operating theatre fees
  - dressings and bandages
  - blood tests, x-rays or CT scans
  - medication
  - extra doctors' fees.
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Some private hospitals have emergency departments. If you have been a patient in an emergency department in a private hospital, you may have to pay extra fees as these are not covered by Medicare.

### **Private health insurance cover for a hospital visit**

Private hospital cover is available through all major private insurance health funds. Private health insurance can give you more choice about when you want to go into hospital (private hospitals only), whether you would like a private room and who you want as your doctor.

Most private health insurance funds offer plans that provide a combination of hospital, general medical and extras cover, depending on what you prefer.

### **How to avoid unexpected hospital fees**

It is important that you know about any extra hospital fees that you may have to pay. If you are unsure about your fees, ask your doctor and the other hospital staff, or contact your private health insurance company and Medicare to find out.

Some questions you can ask include:

- Am I covered for my treatment?
- Does my private health insurance policy have any waiting periods, exclusions or minimum benefits?
- Do I need to pay any excess or co-payments?

### **Elective surgery options and costs**

There are three different cost options in the Victorian hospital system for elective surgery. You may be a:

- public patient in a public hospital
- private patient in a private hospital, without private health insurance
- private patient in a private hospital, with private health insurance.

Each of these options has its advantages and disadvantages, so do your research and choose the model that best suits your needs and budget.

#### **Public health system**

As a public patient in the public health system, you will not have to pay for your surgery. However, you may have to wait a long time before your surgery, unless you need very urgent treatment.

#### **Private health system with no health insurance**

To avoid being on a long waiting list, you may choose to have your treatment as a private patient, even if you have no private hospital cover.

In this situation, Medicare will pay 75 per cent of the Medicare fee for all of your medical costs and you will have to pay the remaining 25 per cent of your medical costs, as well as all your hospital costs.

#### **Private health system with private health insurance**

Private health insurance with hospital cover allows you to be treated in a private hospital. Your private health insurance company will cover your hospital costs and either some or all of any medical costs not covered by Medicare.

Private health insurance companies may charge an 'excess' fee when you make your claim. This fee varies depending on your particular health insurance plan. Before you go into hospital, make sure that you know what your private health plan covers by reading the plan information or asking your insurance company.

### **Where to get help**

- Your doctor
- Specialist
- Hospital staff

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