

HOSPITALS SAY NO TO FREE VISA HEALTH

Current Issue:

- *Article at page 3 of The Australian on 20 August 2012 regarding State public hospitals challenging the expectation that they will treat foreign students and 457 visa holder free of charge.*

Brief talking points:

- Overseas students and working visa holders are significant contributors to the economy. Issues around access to public hospitals can negatively impact on the perception of Australia as a destination that values the contribution of overseas visitors.
- Public hospitals are able to charge foreign students and visitors for services. There is no expectation that public hospitals will provide these services free of charge.
- The health insurance requirements for overseas students and 457 visa holders are not ambiguous. The Immigration requirement is that overseas students and 457 visa holders must purchase health insurance before being granted a visa.
- Issues around public hospital admission for overseas students and working visa holders need to be broadly considered by State governments, in particular with respect to the economic implications for the states and their tertiary education and labour sectors.

Key Facts:

- International education activity contributed \$15.7 billion to the Australian economy in the 2011 calendar year.
- On 19 June 2012, the Minister for Tertiary Education, Skills, Science and Research, Senator the Hon. Chris Evans wrote to the Premier of Queensland, the Hon Campbell Newman MP to ask that the Queensland Health Department reverse its directive that international students no longer be accepted as maternity or gynaecology patients, except in cases of emergency. This followed an earlier, identical letter, to former Premier Anna Bligh, dated 2 November 2011.
- On 16 July 2012, the Premier of Queensland wrote to Minister Evans to confirm that international students, with the necessary insurance, will be treated.
- Under the National Health Reform Agreement, States and Territories are not obliged to provide non-emergency treatment to international students, regardless of whether they hold appropriate health insurance.
- Australia has reciprocal health care agreements with New Zealand, Ireland, the United Kingdom, the Netherlands, Sweden, Italy, Belgium, Malta, Finland, Norway, Sweden and Slovenia. Visitors from these countries have access to free public hospital treatment.

Background :

Overseas Students

Overseas Student Health Cover is provided by private health insurers who have signed a Deed of Agreement with the Commonwealth to cover admissions for international students in both public and private hospitals. If a person is admitted as a private patient in a public hospital or a private patient in a private hospital with which an OSHC insurer has a contract, there is usually no difference in the cost to the patient.

The four health insurers approved by the Australian Government for the purposes of providing overseas student health cover must, as a condition of this approval, provide benefits at a rate at least equivalent to:

- For in-hospital medical services: 100% of the Medicare Benefits Schedule fee; and
- For public hospital accommodation: the rate determined by State and Territory health authorities for admitted patient shared ward accommodation, same day services, accident and emergency and outpatient medical and post-operative services charged to a patient who is not an Australian resident.

Insurers are not permitted to impose waiting periods for any emergency treatment. Insurers can impose waiting periods for treatment during the first 12 months of membership for pre-existing medical conditions, pregnancy. Insurers can impose waiting periods for treatment during the first 2 months of membership for pre-existing psychiatric conditions.

If a student is admitted as a private patient in a public hospital or a private patient in a private hospital with which an OSHC insurer has a contract, there is usually no difference in the cost to the patient.

Overseas Visitors

Overseas Visitors Health Cover is provided by both health insurers and general insurers. 457 visa holders are responsible for all health costs for themselves and their family. They are required by law to maintain adequate insurance for these health costs for the length of their visa. 'Adequate' insurance is insurance that:

- Is fully comprehensive;
- Provides cover that is at least equivalent to Medicare, Australia's public health system (including cover of 85 per cent of costs for hospital, emergency and general practitioner services); and
- Provides coverage for pharmaceuticals.

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