

## Do I need extras cover?

**CHOICE** - (June & November 2016) recently looked at extras cover and below is a summary of their findings:

If you're buying health insurance purely for tax reasons, then **no**. Penalties of extra tax and higher premiums don't apply to extras (ancillary) cover.

This type of insurance rarely covers the full cost of your treatment.

On average, health funds pay about:

- half the cost for the dentist and optometrist,
- a third for medicines not covered by the Pharmaceutical Benefits Scheme
- a quarter for hearing aids.

And there are wide variations between funds and policies, too. The most generous health insurance fund for dental, for example, refunded 60% on average in 2011-12, while the most miserly health fund covered just 32%. Only around \$370 on average was paid out in extras benefits per person in 2013/14.

CHOICE analysis of top cover health insurance from the two largest health insurance funds, Bupa and Medibank Private, shows that you can save between 30 and 45% of your health insurance premium by dropping extras insurance. For family policies including cover for major dental and orthodontics a saving of approximately \$1800 and more for Bupa and Medibank private.

The federal government is also dwindling the 30% Health Insurance Rebate and will drop another percentage point from 27.8% last year to 26.8% this year. So you'll not only pay more, but also get back less. The Australian Prudential Regulation Authority (APRA) found Bupa recorded a net surplus of \$328.7 million compared with Medibank's \$317.7 million for the year to June 2015. Medibank announced a 46 % rise in full year profit to \$417.6 million in 2016.

**CHOICE** (June 2016) reviewed thousands of extras health insurance policies to help you find the best extras cover. **CHOICE** scored each policy, compared inclusions such as dental, optical, chiropractic, physiotherapy, hearing aids and massage, and more. We will only look at dental in this comparison.

**CHOICE** selected policies with superior cover and a cheap premium. Premiums shown are for couples and families (singles pay about half). **If you can't find your policy/health fund, it means that none of your health fund's policies were recommended.** Reviewed funds included: Ahm, Australian Unity, Bupa, CUA, GMF, GMHBA, HBF, HCF, HCI, health.com.au, HIF, Peoplecare, Latrobe, Medibank, NIB, Phoenix, QCH, St.Lukes, Health Partners and Westfund.

**Comprehensive Extras cover (QLD):** Only 2 were chosen by CHOICE as worthy of inclusion from the above list and none of the major health funds were in this list. Summary of dental benefits are below.

Categories	CHOICE Score	Website /Phone	Monthly Premium	Features noted by CHOICE
<b>Health Care Insurance Super Extras</b>  <b>Recommended by CHOICE</b>	79%	<a href="http://www.hcilt.com.au">www.hcilt.com.au</a> 1800 804 950	\$108	Very good general dental cover. No limit general dental Major Dental limit: \$3900/year. Braces lifetime limit: \$2700. General Dental: 6 month wait Major Dental: 12month wait
<b>St LUKES Health Super Extras</b>  <b>Recommended by CHOICE</b>	76%	<a href="http://www.stlukes.com.au">www.stlukes.com.au</a> 1300 651 988	\$132	General dental limit: \$1000 Routine exam:100% back Routine scale/clean:100% back Major Dental: \$1500/year Root Canal limit: \$1000/year Braces lifetime limit: \$2800 General dental: 2 month wait Major dental: 12 month wait

**Medium Extras cover (QLD):** Only 4 were chosen by CHOICE as worthy of inclusion from the above list and none of the major health funds were in this list. All below have a 2 month wait for general dental and 12 month wait for major dental. Summary of dental benefits are below.

Categories	CHOICE Score	Website /Phone	Monthly Premium	Features noted by CHOICE
<b>CUA Health Silver Extras</b>  <b>Recommended by CHOICE</b>	66%	<a href="http://www.cuahealth.com.au">www.cuahealth.com.au</a> 1300 499 260	\$92	Gen Dental: \$ 1000/year Maj Dental: \$1000/year Root Canal: \$1000/year Braces lifetime Limit: \$1500
<b>GMHBA Silver Extras</b>  <b>Recommended by CHOICE</b>	64%	<a href="http://www.gmhba.com.au">www.gmhba.com.au</a> 1300 446 422	\$100	Gen Dental: \$1500/year Maj Dental: \$1500/year Root Canal: \$1500/year Braces lifetime Limit: \$1900
<b>Health Fund Partners Silver Extras</b> <b>Recommended by CHOICE</b>	62%	<a href="http://www.healthpartners.com.au">www.healthpartners.com.au</a> 1300 113 1133	\$99	Gen Dental: no sublimit Maj Dental: \$500/year Root Canal: \$500/year Braces lifetime Limit: \$1000
<b>HCF Gold Extras</b>	67%	<a href="http://www.hcf.com.au">www.hcf.com.au</a> 13 13 34	\$140	Gen Dental no sublimit Maj Dental: \$600/year Root Canal: \$600 year Braces lifetime Limit: \$2100

**Budget Extras cover (QLD):** Only 5 were chosen by CHOICE as worthy of inclusion from the above list and again none of the major health funds were in this list. All below have a 2 month wait for general dental and 12 month wait for major dental. Summary of dental benefits are below.

Categories	CHOICE Score (%)	Website /Phone	Monthly Premium	Features noted by CHOICE
<b>GMHBA Bronze Extras</b>  <b>Recommended by CHOICE</b>	34%	<a href="http://www.gmhba.com.au">www.gmhba.com.au</a> 1300 446 422	\$49	Gen Dental: \$ 1000/year Maj Dental: not covered (includes extraction, root canals, orthodontics, crowns, veneers)
<b>QLD Country Health Fund Young Extras</b>  <b>Recommended by CHOICE</b>	53%	<a href="http://www.qldcountryhealth.com.au">www.qldcountryhealth.com.au</a> 1800 813 415	\$61	Gen Dental: \$ 500/year Maj Dental:\$500/year
<b>HCF Bronze Plus Extras</b>	34%	<a href="http://www.hcf.com.au">www.hcf.com.au</a> 13 13 34	\$46	Gen Dental: \$400 Maj Dental: not covered Root Canal: not covered Braces: not covered
<b>HCF SilverPlus Extras</b>	49%	<a href="http://www.hcf.com.au">www.hcf.com.au</a> 13 13 34	\$80	Gen Dental: \$500 Maj Dental: \$500 Root Canal: \$500 Braces: not covered
<b>Peoplecare Health Insurance Basic Extras</b>	38%	<a href="http://www.peoplecare.com.au">www.peoplecare.com.au</a> 1800 808 690	\$46	Gen Dental: \$500 Maj Dental: not covered Root Canal: not covered Braces: not covered

Consider the Health Funds in blue above when you next are looking to join or change a health fund for dental cover.

The Australian Dental Association provides a tool that allows dentists and patients to compare a selection of funds to determine which funds and policies present the best value for money.

Please look at this.

<https://www.ada.org.au/time2switch/Home>

If you are unhappy with your extra cover from private health funds then the Australian Dental Association has provided you with a link to help you get your message across so change can occur.

<https://www.ada.org.au/time2switch/Make-a-Complaint>

If you are dissatisfied with your health fund's response, we encourage you to lodge a complaint about your health fund with the Private Health Insurance Ombudsman at

[www.ombudsman.gov.au/making-a-complaint](http://www.ombudsman.gov.au/making-a-complaint) or by phoning 1300 362 072.

If you are uncomfortable speaking directly to the Ombudsman, a complaint on your behalf can be lodged with the Queensland branch of the Australian Dental Association by phoning (07) 3252 9866.