

I have Private Health. Do I still pay the Medicare Levy?

You still pay the standard Medicare levy with Private Health Insurance. However, having appropriate Private Hospital cover can exempt you from paying the Medicare Levy Surcharge (MLS) if your income is above certain thresholds.

Here's a breakdown:

- **Medicare Levy:**

This is a standard 2% levy on your taxable income that funds Medicare.

You pay this regardless of whether you have Private Health insurance or not.

- • **Medicare Levy Surcharge (MLS):**

This is an additional levy on top of the Medicare levy, applying to higher-income earners who don't have private hospital cover.

- • **Private Hospital Cover and Medicare Levy Surcharge:**

If you have an appropriate level of private patient hospital cover (and your income meets the MLS income thresholds), you are exempt from the MLS only not the standard Medicare Levy.