Medicare Levy Surcharge & Private Health Insurance

You may have to pay the Medicare Levy Surcharge (MLS) if:

- You, your spouse and your dependent children do not have an appropriate level of private patient hospital cover
- You earn above a certain income level

The MLS is an amount you pay on top of the normal Medicare levy.

What is "appropriate level patient cover"

Even with private health insurance, you may still pay the Medicare Levy Surcharge (MLS) if your policy does not meet the required level of private patient hospital cover.

- For singles, the excess must be $750 or less
- For couples/families, the excess must be $1,500 or less.
- Additionally, general cover (e.g., dental, optical) and travel insurance do not qualify as private patient hospital cover for MLS purposes.
- If you cancel or suspend your cover you could also become liable for the surcharge.

MLS income thresholds and rates for 2023-2024

Threshold	Base tier	Tier 1	Tier 2	Tier 3
Single threshold	$93,000 or less	$93,001 – $108,000	$108,001 – $144,000	$144,001 or more
Family threshold	$186,000 or less	$186,001 – $216,000	$216,001 – $288,000	$288,001 or more
Medicare levy surcharge	0%	1%	1.25%	1.5%