Defence Health

We look after our own

Transitioning from the ADF

Things you need to know about health care

May 2025

As an ADF member, you may not have given much thought to the health system. But whether you're single, a couple or have kids, it's something you'll need to get your head around when you transition.

Contents

1 Introduction

This guide aims to cover everything you need to know about navigating the health system. It outlines how the private and public systems function, and where you fit as an ex-serving member of the Defence community.

If you can't find the information you need, call us on 1800 335 425 and we'll be happy to assist you. Because that's what we're here for.

2 Transition and your health

While you're preparing for transition, it's a good idea to attend one of the **transition seminars** run by Defence Community Organisation in your region. They are very useful in explaining all the things that will change when you move to civilian life.

Defence also has a very helpful **Transition Handbook** to guide you through the process leading up to transition.

You are entitled to medical and dental treatment through Defence up to, but not beyond, your transition date. So it's important to meet any existing health care needs during the last 12 months of your service.

Even niggling aches or pains should be checked out by Defence before you transition. If you need Department of Veterans' Affairs (DVA) assistance down the track it will be helpful to have a comprehensive medical record that includes all aspects of your health at the time of leaving the ADF.

3 First things first – register for Medicare

If you don't already have a Medicare card, then that's the first thing you need to do. Medicare is your ticket to ride – it identifies your entitlement to receive publicly funded hospital and medical treatment, as well as subsidised medicine and diagnostic tests.

How does Medicare work?

Medical services

Medicare ensures all Australians have access to government-subsidised medical, optical and hospital care.

Every health service that Medicare funds is itemised in the Medicare Benefits Schedule (MBS). This enormous list defines the fee that Medicare sets for a service. Medicare will then contribute a percentage of the relevant fee for itemised medical treatment.

If you visit a doctor or specialist outside of hospital, Medicare will contribute 85% of the MBS fee. You will have to pay the gap between the Medicare rebate and the doctor's charge, which is often higher than the MBS fee.

If you are a public patient in a public hospital, Medicare will pay 100% of the hospital accommodation charge and the doctor's fee. If you are treated in hospital as a private patient, Medicare will pay 75% of the MBS fee for the doctor's services. You will be responsible for the remainder of your doctor's charge as well as all other hospital costs.

Pharmacy medication

You cannot purchase any prescription medicine without a prescription from your doctor.

With a Medicare card you are entitled to subsidised prescription medicine under the Pharmaceutical Benefits Scheme (PBS). If you qualify for the Repatriation Pharmaceutical Benefits Scheme, you'll have access to a wider range of subsidised medicine.

The PBS operates with a co-payment arrangement. You pay the first portion and the government subsidises the remainder of the cost. The amount of co-payment is adjusted in line with inflation from 1 January each year.

Safety nets kick in if you (or the family) have very high pharmacy costs. You can keep track of your pharmacy expenses on a Prescription Record Form. The forms are available from pharmacies.

When you give your prescription to the pharmacist (or chemist) you might be asked if you'd like a 'generic' brand. Generic brands have the same ingredients and will treat your symptoms the same way, but are often cheaper than big brand pharmaceuticals.

If your medicine is not listed on the PBS, you will have to pay the full price – which can be very high in some cases. Private health insurance (extras cover) can often contribute towards non-PBS medication.

To enrol for a Medicare card, you'll need to complete the application form which is downloadable from the Services Australia website or available at a Centrelink or Medicare service centre.

General treatment

Medicare does not typically fund general treatment (such as dental, physiotherapy or podiatry) or provide any cover for ambulance services.

While Medicare covers the cost of an eye test (every two years or as required), it will not contribute towards the cost of glasses or contact lenses. In special circumstances, Medicare will provide benefits towards general treatment for people with chronic conditions and complex care needs.

It is recommended that you have a state-based ambulance subscription or private health insurance to cover the cost of ambulance treatment.

Diagnostic tests

Medicare pays 85% of the MBS fee for important diagnostic tests, such as x-rays or blood tests. However, if the provider charges more than the Medicare rebate you will be responsible for the balance of the charge.

Your health and your ADF service

If you think you might be eligible for a White Card or Gold Card, you should contact DVA.

The **fact sheets** at dva.gov.au explain who can obtain a health card.

4 Department of Veterans' Affairs

As a former ADF member, you could be entitled to a **Veteran Gold Card or White Card**.

Veteran health cards can provide access to a broad range of treatment and services including hospital treatment, theatre fees, intensive care, GP services, referred specialist services, allied health, dental care, optical services and ambulance cover. Health card holders can also be covered for a wide range of rehabilitation devices and appliances, pharmaceutical needs and travel for treatment.

A Gold Card will provide cover for any clinically necessary health care needs, whether they are related to war service or not.

A White Card provides cover for the care and treatment of specifically accepted injuries or conditions that are war caused or service related.

Non-Liability Health Care

The Department of Veterans' Affairs (DVA) pays for all treatment for certain mental and physical health conditions without the need for the conditions to be accepted as related to service. This is known as Non-Liability Health Care.

Anyone who has ever served in the permanent forces of the Australian Defence Force may receive treatment for mental health conditions, regardless of when they served, for how long, or the nature of their service.

Importantly, a diagnosis is not required at the time of applying for mental health support. And you do not need to prove the condition is the result of your service.

For more information visit the Department of Veterans' Affairs website, email nlhc@dva.gov.au or call DVA on 1800 838 372.

Depending on your type of service, treatment for malignant cancer and pulmonary tuberculosis is also available under Non-Liability Health Care. But you will need to have been formally diagnosed before making an application to DVA.

5 Private health insurance – where does it fit?

Private health insurance can cover both ‘hospital’ and ‘extras’ treatment. These insurances help fill financial gaps in treatment costs, as well as provide cover where Medicare doesn’t go.

Private hospital cover

Medicare does a great job. But patients are treated in public hospitals according to the urgency of their clinical need. That means you could have to wait longer than you’d like for treatment.

And it’s not just a case of ‘join the queue’. As emergencies and more critical patients come along, their clinical needs take priority and you get bumped down the list.

Private hospital cover gives you access to a network of hundreds of private hospitals. So you’ll get more timely treatment. It also covers a minimum of 25% of the MBS fee when your specialist treats you as a private patient in hospital – and Medicare will pay the other 75%. Most funds will also have some form of ‘gap cover’ which, if used by your doctor, will cap or remove your out-of-pocket medical expenses.

Extras cover

Extras cover reduces the cost of the every-day health care services that help keep you well and out of hospital. Dental treatment is the classic example – it’s a must-have treatment that in most cases can’t be claimed through Medicare.

The treatment covered varies from a handful of categories for budget cover, up to a wide range of substantial health and wellness benefits for higher cover.

I’ve got a Gold Card – do I need private health insurance?

With the excellent entitlements provided by a Gold Card, you are covered for all clinically necessary treatment within Australia. You should not need private health insurance – but if you choose to have private cover it can provide some additional benefits and extra choice.

I’ve got a White Card – do I need private health insurance?

You should consider private health insurance for the treatment of conditions not accepted under your White Card.

6 Government initiatives – how they affect you

Bulk billing

Bulk billing is the term used when a general practitioner or specialist charges the government directly for your consultation. The doctor accepts the Medicare benefit for the service and you, the patient, have no out-of-pocket expense.

If the doctor doesn't bulk bill, you're responsible for the gap between Medicare's 85% contribution to the MBS fee and the actual charge.

Private health insurance rebate

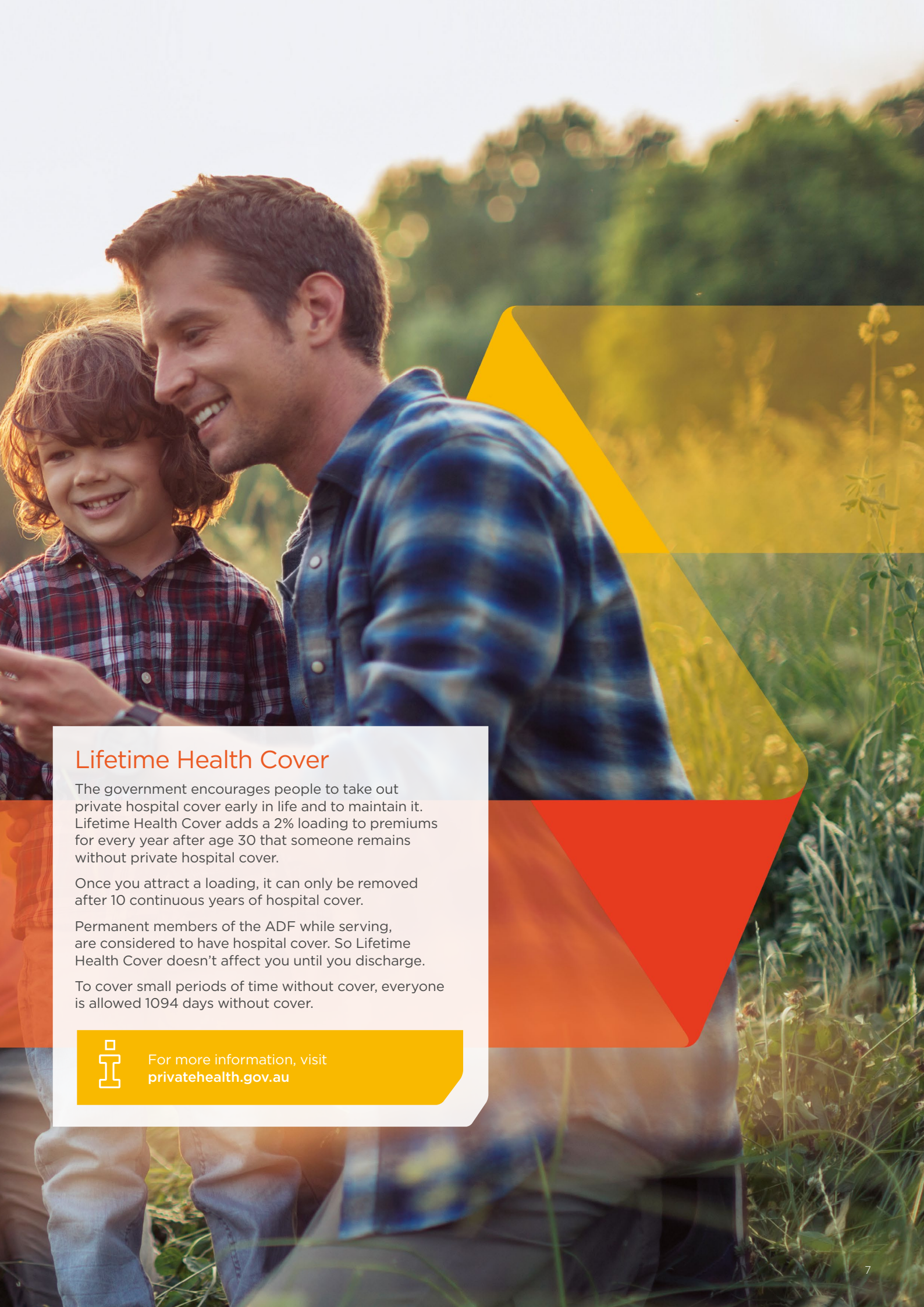
Most people who take out private hospital cover receive a sweetener from the government in the form of a rebate on their premium. The amount of rebate is determined by **income and by the age** of the oldest person on the policy.

The government adjusts the rebate each year by an amount linked to the inflation rate. Check the rebate tiers and income thresholds at ato.gov.au

Medicare Levy Surcharge

The health system is partly funded by a 2% Medicare Levy collected when you lodge your tax return. As a permanent ADF member, you would've been either fully exempt from paying the levy, or only paid 1% if you had a family.

The **Medicare Levy Surcharge** is an additional charge on top of the standard levy. It's applied on a progressive scale to higher income taxpayers who do not hold appropriate private patient hospital insurance. If you are a high income earner, you should consider private health insurance to avoid the surcharge. Check out the **income thresholds and tax rates** at ato.gov.au to see if you're affected.



Lifetime Health Cover

The government encourages people to take out private hospital cover early in life and to maintain it. Lifetime Health Cover adds a 2% loading to premiums for every year after age 30 that someone remains without private hospital cover.

Once you attract a loading, it can only be removed after 10 continuous years of hospital cover.

Permanent members of the ADF while serving, are considered to have hospital cover. So Lifetime Health Cover doesn't affect you until you discharge.

To cover small periods of time without cover, everyone is allowed 1094 days without cover.

For more information, visit **privatehealth.gov.au**

7 Where do I go if I'm sick?

Emergency

If you – or someone else – becomes seriously ill or is badly injured, you should call 000 for an ambulance. What qualifies as serious? Breathing difficulty, bleeding that won't stop, broken bones, head injuries, chest pain or signs of a stroke are a few examples. Any of these symptoms require urgent treatment at an emergency department of a public hospital.

Public hospital emergency departments are open 24 hours a day. A triage nurse will assess you on arrival and determine how urgently you need to be seen by a doctor. The level of urgency and number of people waiting will determine how quickly you are treated.

You'll receive initial treatment in the emergency department and if clinically required, you will be admitted to a ward.

Medicare does not cover the cost of ambulance services and the average cost of emergency transport is more than $1100. So it's recommended that everyone in your family is insured for ambulance treatment either through private health insurance or a state ambulance subscription.

Non-emergency

Your General Practitioner (GP), is normally the first port of call when you're not well. The GP might prescribe medication; recommend changes to your exercise or dietary regimen; treat minor wounds or injuries on-the-spot; or refer you to a specialist for further investigation.

If your GP bulk bills the cost of your visit will be fully covered by Medicare. If the GP does not bulk bill, you will have an out-of-pocket expense for each visit.

If a specialist recommends hospital treatment, you have a choice to be fully covered by Medicare as a public patient in a public hospital. Or, if privately insured, you can be treated as a private patient in a hospital of your choice.

As a public patient you will be placed in the queue for elective public hospital treatment and patients with more clinically urgent needs will be treated ahead of you.

If you choose to be a private patient in a public hospital you will not be bumped up the waiting list to be treated any faster. But as a private patient in a private hospital you will be treated almost immediately.

Without hospital cover you will face significant personal expense if you choose to be a private patient in a private hospital. Private insurance will cover 100% of agreement hospital charges. And doctors' fees are covered up to the MBS fee (or higher if the doctor uses gap cover).

I think I have...

Many minor ailments can be alleviated (or rectified) with general treatment such as physiotherapy, podiatry, psychology or alternative therapies such as acupuncture and remedial massage. Medicare does not cover any of these services (except for chronic or terminal conditions where **GP Management Plans or Team Care Arrangements** are in place).

Health insurance extras cover can make a contribution towards the cost of such general treatment.

If you decide to take out private health insurance, it would make sense to check out Defence Health.

8 Cover with Defence Health

Since 1953, Defence Health has been providing specially tailored private health insurance for ADF families and the Defence community. Defence Health has great value hospital and extras cover, generous benefits and excellent service. You'll be treated like one of the family.

Defence Health recognises your service. All waiting periods are waived if you join within 60 days of discharge.

The exclusive Defence Hospital cover is designed for permanent ADF, Reservists and ex-serving veterans and is very competitively priced. Whether you're part of a family looking for comprehensive cover or a single or couple wanting to avoid government penalties, you'll find the cover you're looking for.

Special recognition for veterans

- If you join within 60 days of discharge we'll waive all waiting periods
- 5% ongoing Veteran discount for White Card holders (excludes some hospital covers and standalone extras)
- If you have a Gold Card you don't need to cover yourself but we'll continue to offer your family great value cover.

Call Defence Health on **1800 335 425** for a personalised quote or for more information on how we can help you when you transition.

Contact Us

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DEF0580/05-25