

Low Income Health Care Card

Who is eligible?

To be eligible an individual must:

- Ø be an Australian resident, a holder of a specified subclass of visa or a Special Category Visa Holder
- Ø have served a Newly Arrived Resident's Waiting Period of up to four years if applicable
- Ø be residing in Australia at the time of a claim
- Ø be 19 years of age or older (although in certain circumstances individuals below age 19 may also qualify for the card. Generally this would apply to applicants who are secondary or tertiary students and are not regarded as a child for Family Tax Benefits purposes. , and
- Ø have income within the allowable threshold.

Commonwealth Seniors Health Card holders who also meet the Low Income Health Care Card (LIHCC) requirements can qualify for and retain both concession cards.

Income test

The eligibility for LIHCC is based on average weekly assessable income over the eight weeks immediately before the claim. After the person has qualified for the card, ongoing income can increase by up to 25% on an ongoing basis, with eligibility for the card maintained. If income increases to greater than 125% of the initial qualifying limit, Centrelink must be notified and entitlement to the card will cease.

Family situation	Income limit (per week)	Income limit (in an 8 week period)
Single, no children	\$757	\$6,056
Single, one dependent child	\$1,295	\$10,360
Couple, no children (combined)	\$1,295	\$10,360
Couple, one dependent child (combined)	\$1,329	\$10,632
Increase for each additional child	\$34	\$272

Note: Current as at 29 September 2023 and indexed in March and September each year.

- § Employment income - wages, salary and self-employment income
- § Employer provided fringe benefits
- § Business income¹
- § Rental income less allowable deductions for social security purposes²
- § Reportable super contributions (eg salary sacrifice)
- § Centrelink pensions, benefits and some supplementary payments
- § Paid Parental Leave payments
- § Department of Veterans' Affairs payments
- § Deemed income from financial investments
- § Deemed income from account based income streams
- § Income from income stream products (eg assessable income from defined benefit income streams)
- § Foreign income
- § Income from private trusts and companies
- § Certain compensation payments and employment termination payments (periodical and lump sum³).

1 Annualised income divided by 6.5 to determine income over an eight week period.

2 Deductions such as capital depreciation, special building write off, construction costs and borrowing costs (eg loan establishment fee) do not reduce income for social security purposes. If the net income is a negative amount, assessable income would be nil.

3 Lump sum payments received at least 14 months before claiming the card are not assessed.

Gifting

Although the LIHCC is not assets tested, deemed income from a disposal of an asset in excess of gifting provisions may also be included in the assessment of income for a period of five years from the date of disposal.

Renewal of LIHCC

Once issued, the card is valid for 12 months, assuming that the cardholder continues to meet the ongoing income test requirements. After this time, the individual must apply to renew the card. To be eligible for renewal, the individual must be in Australia and must again meet the income test. The income threshold that must be met at the time of renewal is the same as that which applies at the time of initial qualification. At renewal, the eight week assessment period runs between 12 and four weeks before the card expires.

Travelling outside Australia

The Department of Human Services will cancel the card if temporarily travelling outside Australia for more than six weeks. The individual will need to re-apply upon return.

Benefits include

- Ø Cheaper medicine under Pharmaceutical Benefits Scheme
- Ø Bulk billed doctor visits at clinic's discretion
- Ø Bigger refund for medical costs when the Medicare Safety Net is reached
- Ø Concessions for utility bills, property and water rates, public transport and motor vehicle registration.
- Ø These concessions can vary based on the State.

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