



Overseas Student Health Cover (OSHC) Star Ratings and Awards - March 2019

What are the Canstar Overseas Student Health Cover Star Ratings and Awards?

Canstar's *Overseas Student Health Cover (OSHC) Star Ratings and Awards* use a sophisticated and unique rating methodology that compares both cost and features across health insurance policies offered to people coming to Australia to study. Canstar star ratings represent a shortlist of products enabling consumers to narrow their search to products that have been assessed and rated.

Ratings range from one to five stars. Five star rated products have been assessed as offering outstanding value to consumers.

What types of products are evaluated for Canstar's Overseas Student Health Cover Star Ratings and Awards?

Students coming to Australia must have adequate health cover prearranged for the length of their student visa.

To be eligible for inclusion in Canstar's *Overseas Student Health Cover (OSHC) Star Rating and Awards*, a policy must meet the following criteria:

- The policy and its provider must be approved by the Australian Government Department of Health and Ageing
- The policy must not be restricted solely to members of a specific organisation
- For comparison and evaluation purposes the policy must be available for each visa term; 1, 2, 3, 4, and 5 years (where 5 years is the maximum student visa term in Australia)

How are the Canstar Overseas Student Health Cover Star Ratings calculated?

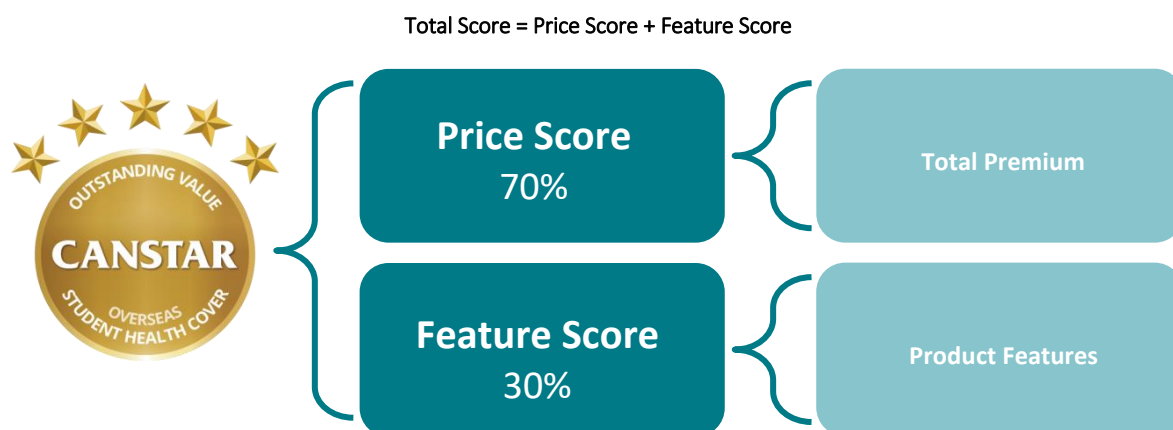
Overseas Student Health Cover products are assessed across 15 consumer profiles, considering three types of household structure (single, couple and family) and five visa duration periods (1, 2, 3, 4 and 5 years) rated for single, couple and family student policies with different Star Ratings calculated depending on how long the policy is purchased for – from 1 to 5 years.

Household Structure	Visa Duration
Single (1 Student)	1,2,3,4,5 years
Couple (1 Student + 1 Non-Student)	
Family (1 Student + 1 Non-Student + Dependents)	

Star Ratings Methodology

Each eligible OSHC product reviewed is awarded points for its comparative pricing and for the array of features attached. Points are aggregated to achieve a price score and a feature score.

To arrive at the total score Canstar applies a weight against the price score and the feature score. The weights reflect the importance of costs and features in determining the products offering outstanding value. This method can be summarised as:



Price Score

The base annual insurance premium for OSHC products is used as the point of cost comparison. Peer products are compared and the product with the lowest cost is awarded the highest price score and all other peer products are indexed against it, awarded a score relative to the lowest cost product.

To maintain consistency across providers and premiums, Canstar assumes only one member of the insured household is a student. Note that the price score is assessed based on total premium for the student's visa duration as the product must be purchased in full prior to arrival in Australia.

Feature Score

The feature score takes into account a number of features within four different categories, with individual features allocated points and each category, and sub category, assigned a weighting. The product with the highest feature score is allocated the maximum score, with all remaining products within the profile scored against it. The feature categories and sub-categories, with assigned weights, are:

Category	Weight
Medical Inclusions	55%
Prescription Medicine (PBS)	25%
General Practitioner (GP)	20%
Pathology	15%
Radiology	15%
Specialist	15%
Direct Billing Practitioners	10%
Hospital Inclusions	25%
Fund Information	20%
Agreement Network	50%
<i>Private Hospitals</i>	<i>60%</i>
<i>Day Hospitals</i>	<i>40%</i>
Accessibility	20%
<i>Branch Access</i>	<i>40%</i>
<i>Internet Access (including mobile)</i>	<i>40%</i>
<i>Phone Access</i>	<i>20%</i>
General Information	10%
Languages	10%
Other Services	10%

Medical Inclusions (Out-of-Hospital)

Policies vary in the types of out-of-hospital medical benefits that are payable and the levels of rebate provided (based on the Medicare Benefits Schedule (MBS) fee). Since health care providers may charge more than this fee, insurance rebates may not cover the entire fee charged. The difference between the fee and the rebate is known as a 'gap'. Since there are different levels of benefit for different types of medical services, a weight is assigned to each service type. Note all OSHC provides cover for GP, specialists, radiology and pathology though benefits levels vary from product to product.

Prescription Medicines

Since the benefits payable on prescription medicines differ in their co-payments, benefit levels, and limits, a scenario has been designed to test the level of benefits offered by each product. The pharmacy benefits scenario is based on the weighted cost of redeeming the top 50 medicines on the Pharmaceutical Benefits Scheme (PBS) by volume. An average out-of-pocket amount is calculated based on 48 hypothetical patients requiring an average of 7 scripts per year with a standard deviation of 7 scripts.

Direct Billing General Practitioners

In the same way that Australian residents can go to direct billing doctors and not need to incur costs upfront, students insured under OSHC policies can attend direct billing practices. Recognition is given for direct billing medical practices in each state and territory.

Hospital Inclusions

OSHC is a highly regulated form of health insurance; levels of cover do not vary significantly between providers. This is because all in-hospital procedures that are on the MBS are required to be covered (waiting periods may apply for some procedures).

The hospital inclusions score recognises where policies may offer a level of cover that exceeds minimum requirements. The areas of focus are:

- Surgical removal of wisdom teeth
- In-vitro fertilisation (IVF)
- Psychiatry
- Gastric Banding
- Podiatric Surgery

Fund Information

Fund information is assessed in a similar fashion to Canstar's *Health Insurance Star Ratings*, with an additional category for the availability of dedicated websites or brochures in languages other than English.

Agreement Network

The number of agreement hospitals available in a state represents the level of choice a patient has in health care providers that will not charge a gap fee.

A weighted average of the number of private and day hospitals available to members of a fund is taken based on a state's population. The health fund that has the most total no-gap hospitals in that state will earn the maximum score towards all their eligible hospital cover products while all other health funds will be awarded a score based on their number of no-gap hospitals relative to the institution with the most no-gap arrangements.

Accessibility

- Branch Access: The number of branches
- Internet Access: Functionality online
- Mobile Access: Functionality through mobile application
- Phone Access: Functionality through call centre

General Information

This category includes general information relating to the health fund. This includes, but is not limited to, online application, direct debit payments, payment frequencies and maximum age of dependants.

Languages

Funds are assessed based on the number of different languages their website can be viewed in as well as if they have brochures for health cover available on their website in languages other than English.

Other Services

This category looks at a number of additional services offered by the provider at a fund level. These additional services include:

- Health/nurses hotline – availability and hours of operation
- Home doctor services/after-hours doctors service – availability and hours of operation
- Wellness and health guides (electronic or hard copy)
- Pre/post-hospital services (e.g. obstetrics and cardiac)

How is the Canstar Overseas Student Health Cover Award Calculated?

To be considered for the *Overseas Student Health Cover Outstanding Value Award* the insurer must provide a policy with a quote available for each household structure and visa duration assessed within the star ratings.

Canstar awards an Outstanding Value Award to the insurer or insurers who offer outstanding value cover based on their cumulative score across all 15 profiles. The weight placed on each component within the profiles is shown below, and represents the relative importance of each in determining the outstanding OSHC providers.



Does Canstar rate all products available in the market?

Canstar endeavours to include the majority of product providers in the market and to compare the product features most relevant to consumers. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to specific consumers.

How often are products reviewed for awards or star ratings purposes?

All ratings are fully recalculated every twelve months based on the latest product offerings within the market. Additionally, Canstar monitors product changes on an ongoing basis. Star rating and award results are published in a variety of mediums (newspapers, magazines, television, websites, etc).

Does Canstar rate other product areas?

Canstar researches, compares and rates the suite of banking, wealth and insurance products listed below. These star ratings and awards use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the Canstar website at www.canstar.com.au if you would like to view the latest star ratings reports of interest.



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| • Agribusiness | • Home & Contents | • Pet Insurance |
| • Business Banking | • Home Loans | • Reward Programs |
| • Car Insurance | • Landlord Insurance | • Superannuation |
| • Car Loans | • Managed Investments | • Term Deposits |
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| • Deposit Accounts | • Online Banking | • Travel Insurance |
| • Direct Life Insurance | • Online Share Trading | • Travel Money Cards |
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