

● COMMONWEALTH SENIORS HEALTH CARE CARD (CSHC)

ISSUED: DECEMBER 2021
VERSION: DECEMBER 2021

The CSHC allows older Australians to access cheaper Pharmaceutical benefits Scheme (PBS) prescription medicines and discounts on bulk billed doctor's appointments and out of hospital medical expenses, together with other government concessions, which can help you reduce your living expenditure. If you qualify for a CSHC, you may choose to receive the quarterly Energy supplement.

The quarterly supplement is a payment for the Energy Supplement.

To be eligible, you must have reached Age Pension Age and do not qualify for a Centrelink Payment such as the Age Pension, or a Department of Veteran's Affairs Payment. Many people must also satisfy an income test and you must also be an Australian resident currently living in Australia.

An Assets Test is not applied to the CSHC.

INCOME REQUIREMENTS- INCOME TESTED HOLDERS

The income test for the CSHC is based on your adjusted taxable income and any deemed income from account-based income streams commenced after 1 January 2015.

The income test does not apply to Age Pensioners who lost their Age Pension entitlement on 1 January 2017, due to the reduction in the Assets Test Threshold.

Adjusted taxable income is the sum of the following:

- taxable income
- target foreign income
- total net investment losses
- employer provided benefits, and
- reportable superannuation contributions

The annual CSHC income limit is indexed on 20 September each year. See the Reference section below for current income limits.

RESIDENCE REQUIREMENTS

To be eligible for a CSHC you must satisfy residence requirements.

You must be an Australian resident, or the holder of a special category visa, and continue to meet the residence requirements for as long as you hold this card. Newly arrived residents generally have a waiting period, with some exemptions.

You must also be physically present in Australia on the day you submit your claim.

WHAT YOU NEED TO CONSIDER

- Applying for a CSHC can provide cost savings on PBS medicines and medical expenses. You may also be able to access extra health, household, transport, education, and recreation concessions that are offered by state, territory, local governments and private businesses - these providers offer concessions at their own discretion, and the availability of these concessions may vary between providers.
- Account Based Income Streams which commenced prior to 1 January 2015 are excluded from the income test for the CSHC.
- You may need to consider the timing of asset sales with applicable capital gains as this may increase your assessable income for the CSHC.

REFERENCES



You may wish to refer to the following websites for further information about the CSHC:

- www.ato.gov.au
- www.dss.gov.au
- www.serviceaustralia.gov.au

The information in this document is of a general nature and does not take into account your own financial objectives, circumstances or needs. You should consider your own personal situation and requirements before making a decision.

Hindsight Group Pty Ltd ABN 88 168 442 528 AFSL No. 534466

Level 4, 33 Remora Road, Hamilton QLD 4007

t 07 3852 3025

e hello@hindsightwealth.com

w www.hindsightwealth.com