

# Paying by salary deduction

## Salary deductions are a hassle-free way to pay your health cover contributions and ensure your cover is always up to date.

We have salary deduction arrangements in place with many employers in the transport and energy industries, check with us or your employer to see if there is one available for you.

There are some things you need to be aware of when you choose to pay by salary deduction, which make it different from our other payment options, and there are some occasions on which you might need to make an additional payment.

### One-off 'catch up' payment

When you start a salary deduction, you need to 'join' the group at its next scheduled payment. If you want your cover to commence before the next scheduled payment, you may need to

make an additional one-off payment to cover you from the date you want your cover to commence to the date of the next scheduled payroll deduction. It is not possible to set this first one-off payment up as part of the salary deduction.

### Making changes to the amount you're paying

There are times when the amount you are paying for your health cover might change, and we need to adjust the amount of your salary deduction.

For example, there will usually be a once-a-year increase in the cost of your cover, and occasionally you might wish to make a change to your cover that either increases or reduces the amount you're paying.

Whenever there's a change in the cost of your cover we will confirm it in writing with you and then we will advise your payroll people to adjust the amount of your salary deduction – you don't need to do that yourself.

Please bear in mind that these adjustments will need to fall into line with the usual schedule of payments for your group, so there may be a delay between the change being made and the adjustment to your payroll deduction. This can sometimes mean you may have an additional catch up payment to make, or that you've paid a little more than you need. If that ever happens we will add the extra payment amount to the date your cover is paid up to.



## Switching from salary deduction to another method of payment

If your circumstances change and you are not receiving your usual salary, don't forget to let us know. If you're interested in paying by salary deduction, and we don't currently have a plan in place with your organisation, we'd be happy to hear from you to see if we can set one up. This might include times when you are on extended leave such as maternity or long service leave.

When you pay for your health cover through a direct debit or by account, you pay for the period in advance, but with salary deduction you are paying for the period just ended. For example, say you're paying by monthly direct debit, you'll get a bill on 1 May which will cover you for the month of May; but if you're paying by salary deduction, on 1 May you'll be paying for the cover you had during the month of April.

What this means is that if you ever choose to switch from paying by salary deduction to another method of payment, you'll need to move from paying in arrears to paying in advance, which will mean making a one-off catch up payment.

## Closing salary deduction groups

As you might imagine, there's quite a bit of administrative work, both for us and your employer, in setting up and managing a salary deduction group. It's great if there are a reasonable number of people using the salary deduction, but occasionally, if the group of people using the service becomes too small, we do need to close the arrangement.

If that happens, we will contact you well in advance and help you set up alternative payment arrangements, such as direct debit from a bank account.



## Can we help?

Please feel free to call our team with any questions about your salary deduction payments, it can be confusing and it is always best to clarify your understanding.

Our team is happy to help.

Contact us on **1300 886 123** or email **[help@rthealth.com.au](mailto:help@rthealth.com.au)**