



27 March 2017

Outline of the process for applicants and private health insurers to apply for, or vary, a restricted access group

1. The applicant, or the private health insurer (insurer) forms its own view, taking advice if necessary, on the compliance and risk aspects of the proposed group or the variation.
2. The applicant, or the insurer informs APRA of the proposal.
3. The applicant, or the insurer demonstrates that the proposal complies with the relevant provisions in the *Private Health Insurance (Prudential Supervision) Act 2015* (PHI (PS) Act) and the *Private Health Insurance Act 2007* (PHI Act). Depending on the complexity of the application, the information provided to APRA would typically include:
 - an explanation of the reason for the new proposed restricted access group;
 - an explanation of how the proposal aligns with the insurer's business strategy;
 - a summary of the new or varied Fund Rules and/or Constitution;
 - an explanation of how compliance with the legislative framework is achieved;
 - a summary of the proposed timeline for the application or variation;
 - an analysis of changes to the risk profile of the fund; and
 - an analysis of how financial and policy holder impacts are to be managed.
4. APRA consults and shares the relevant information with the Department of Health to satisfy compliance with the PHI Act and reviews the material for any prudential implications and compliance with the PHI (PS) Act.
5. APRA reverts to the insurer for more information or informs the insurer there are no objections to the application or variation.
6. After being notified that APRA has no objections, the insurer may:
 - take the necessary steps to implement the change in its Rules and/or Constitution;

- update the entry on the Rules Application and Processing System administered by the Department of Health; and
 - provide APRA with details of the specific changes required to the insurer entry on the APRA website and the date the change comes into effect.
7. APRA then implements the change to the [register of private health insurers](#) on its website.