

Consumer Guidance Note on supporting evidence for a claim of Principal Residence for LCR loadings

Purpose of this guidance

The Health Insurance Authority (“Authority”) is providing this guidance note on what types of evidence may support a claim of a “principal residence”, when a person wishes to take out private health insurance, in the Republic of Ireland (“the State”).

Reasons to clarify evidence of a “Principal Residence”

The Health Insurance Act 1994 (as amended, the “1994 Act”) and the Health Insurance Act 1994 (Determination of Relevant Increase under section 7A and Provision of Information under section 7B) Regulations 2014 as amended, (the “Relevant Increase Regulations”),¹ regulates the amount of premium² that may be charged in our community rating private health insurance market. The Regulations also set out any loadings³ that may be added to the cost of a premium. They also allow consumers to avail of credits that reduce the loadings.

Consumers who for the very first time, take up a “principal residence”⁴ in the State, and who wish to avail of the “nil” loading, may do so, *within 9 months* of their arrival to the Republic, when they provide the insurer with evidence to show their intention to make Ireland their home, or principal residence.⁵ If the same person moves abroad again, for a year or more but then returns for a second period of residence (of one year or more), there will *not* be a second chance to claim a “nil” loading for a second period of principal residence. However there may be one or more credited periods which may be available to reduce the cost of that consumers’ insurance.⁶ The Authority welcomes any queries from consumers who are still unclear about the evidence you possess, to assist you to obtain a “nil” loading or a credited period.⁷

¹ (S.I. No. 312 of 2014), (as further amended by the Health Insurance Act 1994 (Determination of Relevant Increase under section 7A and Provision of Information under section 7B) (Amendment) Regulations 2018 (S.I. No. 224 of 2018), together referred to in this Guidance Note as the “Relevant Increase Regulations”.

² See *Guidance note on obligations on health benefits undertakings in relation to net premiums*, which defines the net premium, at <https://www.hia.ie/sites/default/files/Guidance%20note%20on%20community%20rated%20health%20insurance%20contracts.pdf>

³ Section 7A of the 1994 Act as further effected by the Relevant Increase Regulations, reg. 5.

⁴ Relevant Increase Regulations, reg. 5.

⁵ A “nil” loading is where a person qualifies for a zero percent loading. For example, if a person has availed of health insurance since 1 May 2015, they are treated as if they are a person who is currently 34 years old, (the “age at entry” into lifetime community rating). If the person is not eligible to be treated at the “age at entry” (34), then a loading of 2% of the gross premium is added for every year of age higher than age 34 that an individual has attained after 30 April 2015, when they *first* purchase inpatient private health insurance.

⁶ Please check our website for more information on credited periods.

⁷ Please note that the Authority takes no role in judging the reasonability, quality or sufficiency of the evidence which is a matter for the consumer and the insurer to determine, within the framework of the 1994 Act.

A “loading” may apply to a private health insurance premium charged to a consumer depending on *when* they take out insurance. A “loading” is a percentage increase of 2% added to the cost of the premium, relative to the age⁸ a person enters into the private health insurance market. The loadings are age-related and if they are applicable, they increase in magnitude from 0% loading at age 34, in increments of 2% per each year of age thereafter, and apply for a period of 10 years.⁹

Consumers may be eligible for one or more qualifying credited periods to *reduce* the amount of loading if they have already availed of the nil loading but take out insurance within 9 months of taking up a second period of residence for a year or more.¹⁰ The Authority considers certain types of supporting evidence referred to below, will help to establish whether a consumer has taken up a principal residence in the State and will help consumers to access the market more easily and to save money on the cost of their health insurance.

Supporting evidence of a principal residence

A consumer who has taken up residence in the State, for the first time and who wishes to avail of a nil loading, may be asked by their insurer to provide supporting evidence of a principal residence, such as:

- (i) being domiciled outside the State prior to entry;

This can be demonstrated by showing evidence of the purchase of property, mortgage agreement, rental agreement, tax receipts, utility bill from a residence abroad, wage slip, job contract, visa or passport visa or by showing evidence of newly established residency in Ireland such as an application for a PPS number.

- (ii) of their date of arrival into the State, (e.g., travel tickets, and/or receipts, visa or passport visa);

- (iii) they are legally entitled to take up a principal residence in the State;

- (iv) they intend to reside for a duration longer than 9 months; or

Intending that Ireland will be the centre of their social, economic, or familial interests, as evidenced by, for example a contract of employment, attempts to gain or secure employment or a proof of enrolment at an educational institution. Examples would include documents purchase of property, a mortgage agreement, rental agreement, utility bill, tax receipts or perhaps 3 months of bank statements relating to an Irish bank account.

- (v) that the residence in the State is generally a home for the individual (and their family, if any), their business or their profession.

⁸ “Age”, can either be treated as a chronological or birthday age, or in other words, the persons actual age or it can be treated as a “notional” idea of age, where the legislation allows for the chronological age to be subject to credited periods that reduce such a chronological age, in the lifetime community rated world, to an “age of entry” that is less than the actual age of the person.

⁹ See the Authority’s Lifetime Community Rating (“LCR”) information for consumers on our website [here](#).

¹⁰ Though outside the purpose of this Guidance, due to unemployment, some qualifying periods of non-cover may also be treated as a “credited period”.

This list does not purport to be an exhaustive list of all the possible supporting evidence that may demonstrate an intention to reside on a principal-residence basis. The list is merely for *guidance* purposes only.