



An tÚdarás Árachas Sláinte
The Health Insurance Authority

Health Insurance in Ireland

Market Report 2023



Rialtas na hÉireann
Government of Ireland

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HEALTH INSURANCE TRENDS 2023

HEALTH INSURANCE DEVELOPMENTS AND TRENDS



Growth in number of people with health insurance **slowing**
Only 1.6% increase since 2022



47%
Percentage of people with health insurance



2.48 million
number of people with health insurance.



Decrease in numbers of **children insured**



18-39
Age group with the lowest level of health insurance coverage

HEALTH INSURANCE PLANS



350
number of plans



23
number of new plans introduced by insurers



0
The number of plans retired by insurers



50%
of people on one of 30 plans



66%
Increasing % of people with restricted orthopaedic plans

HEALTH INSURANCE PRICES



10%
The percentage
the average
premium
increased by



€1,594
the average
premium



People over 65 are
paying on average
43% more
see p.12 for further details



€3.2 billion
Health insurers total premium income

CLAIMS AND HOSPITAL DAYS



15%
Percentage claims
have increased by
since 2022



Increasing
claims for private
hospitals



Decreasing
claims for public
hospitals



Increasing
number of
hospital day case
claims compared to
overnight stays

You can find more information on www.hia.ie

SOME FACTS ABOUT THE IRISH HEALTH INSURANCE MARKET

- The Health Insurance Authority (HIA) is an independent statutory body that regulates the private health insurance market in Ireland. We have a number of functions, including to ensure that consumers are informed when they make decisions about health insurance.

- Health insurance in Ireland is based on 4 main principles:



- **Community rating:** the cost of health insurance is based on services and treatments not your medical history, your previous claims or your age.
- **Open enrolment:** guarantees that you are able to buy any plan available in Ireland.
- **Lifetime cover:** guarantees the right to renew a policy.
- **Minimum benefits:** legislation specifies the minimum level of cover that an in-patient health insurance contract must include.

- Community rating is supported by the payment of stamp duty on each health insurance contract purchased.

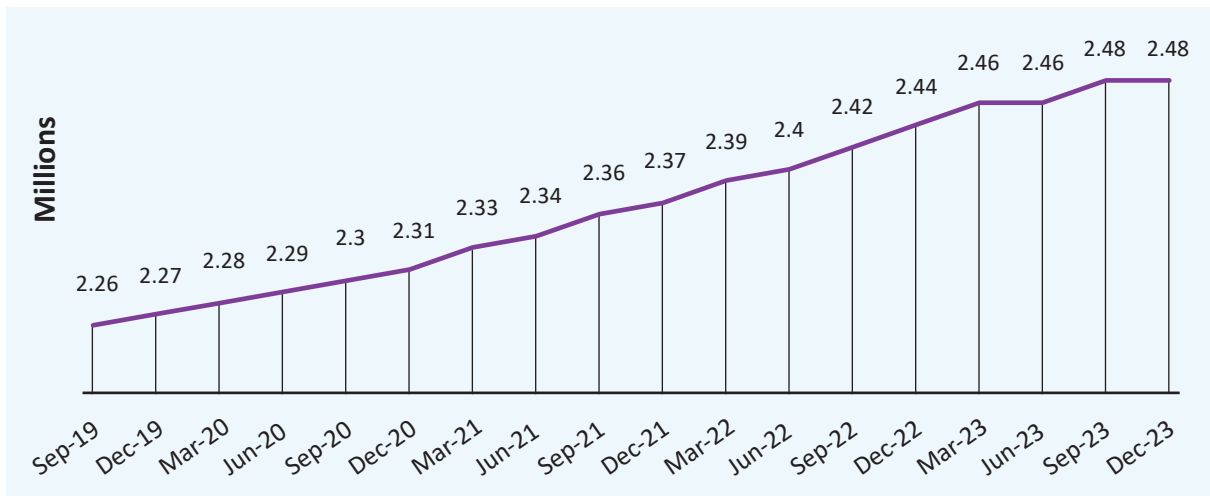
- Lifetime Community Rating (LCR) was introduced in May 2015. LCR requires people aged 35 and over taking out inpatient health insurance for the first time to pay a loading of 2% per year, for up to 10 years. If you have a break in cover of more than 13 weeks you might have a loading when you take out health insurance again depending on how many years you have held insurance in the past. For more information on loading, see our [booklets](#).

- Currently, there are three commercial health insurance companies selling inpatient private health insurance operating in the Irish market: *Vhi Healthcare (VHI)*, *Laya Healthcare (Laya)*, and *Irish Life Health (ILH)*. These are open to anybody who wishes to purchase health insurance. There are also Restricted Membership Undertakings (RMUs), and these provide health insurance for their members only.

- There are two types of cover: advanced and non-advanced. Non-advanced provides a basic level of cover. Essentially, non-advanced plans provide private accommodation in a public hospital. Advanced plans have varying levels of cover, but the minimum includes a semi-private room in a private hospital. The stamp duty is different for non-advanced and advanced plans, with the latter being higher.

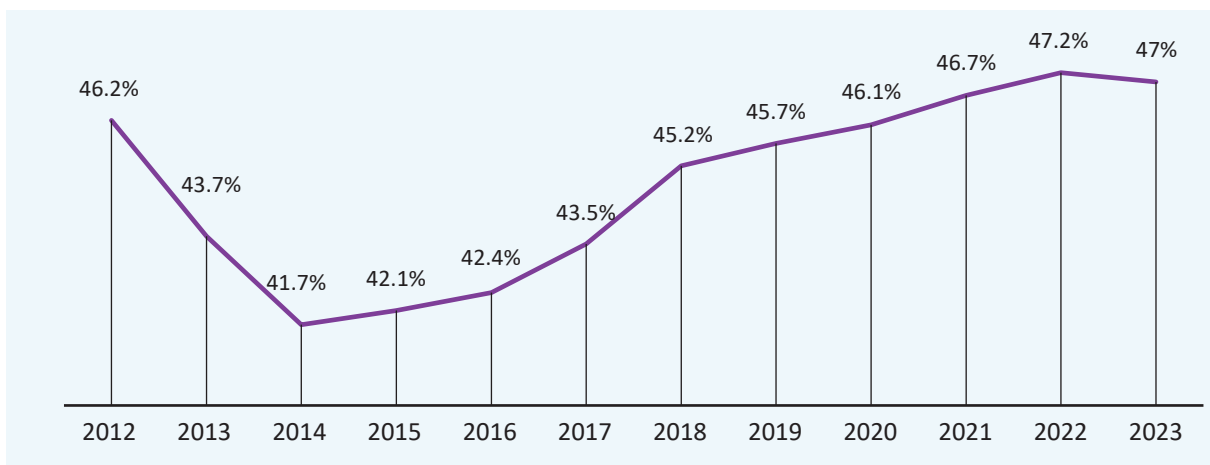
HEALTH INSURANCE LANDSCAPE: DEVELOPMENTS AND TRENDS

Health insurance coverage continues to grow; however, it is slowing. At the end of 2023, **2.48 million** people had health insurance, which is a **1.6%** increase on December 2022. Possible reasons for the slowing increase in the number of people with health insurance could be cost related. The HIA’s consumer survey (2023) concluded that the primary reason for people not having health insurance in Ireland or for no longer having it, is related to affordability, for example premiums being too high or not being able to afford it (HIA, 2023). Price increases throughout 2023 by all three health insurers and the inflationary impact on people’s day-to-day living expenses, have led the HIA to conclude that increased cost is the likely reason for slowing growth in number of people with health insurance in Ireland.



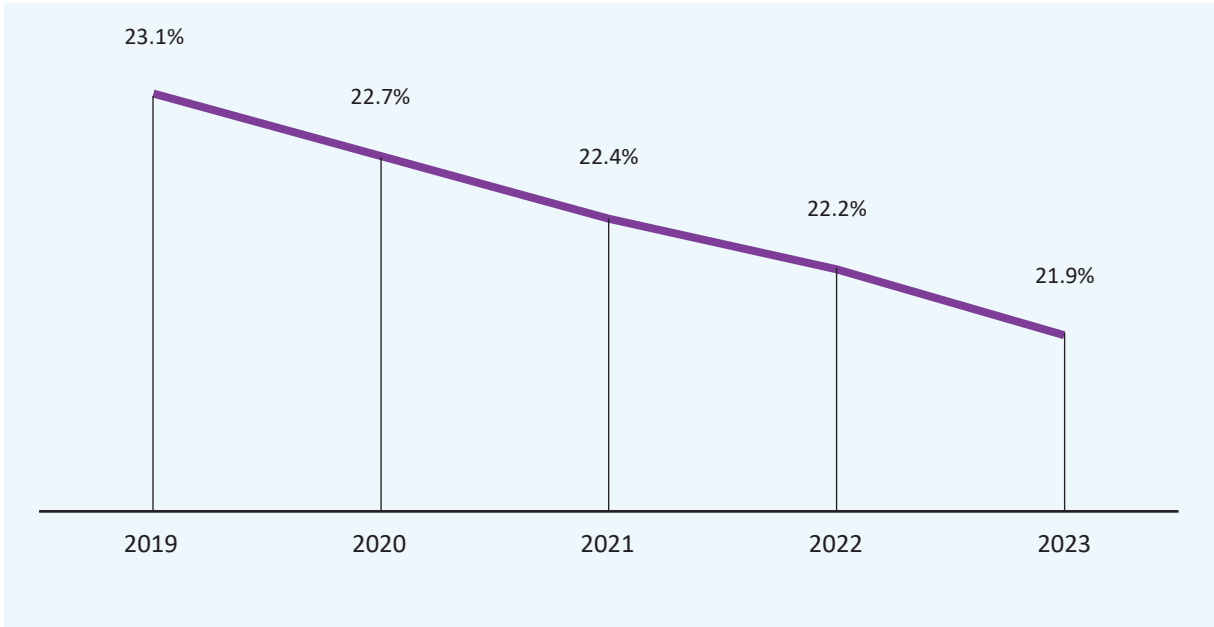
GRAPH 1: Number of people with health insurance

In 2023, nearly half of the population in Ireland (**47%**) had health insurance. It is important to note that the reason for the decrease from 2022 to 2023 is because there was a significant increase in the total population living in Ireland calculated from the CSO’s census results in September 2023. For this reason, the overall population with health insurance percentage figure has decreased, however the number of people with health insurance continues to rise.



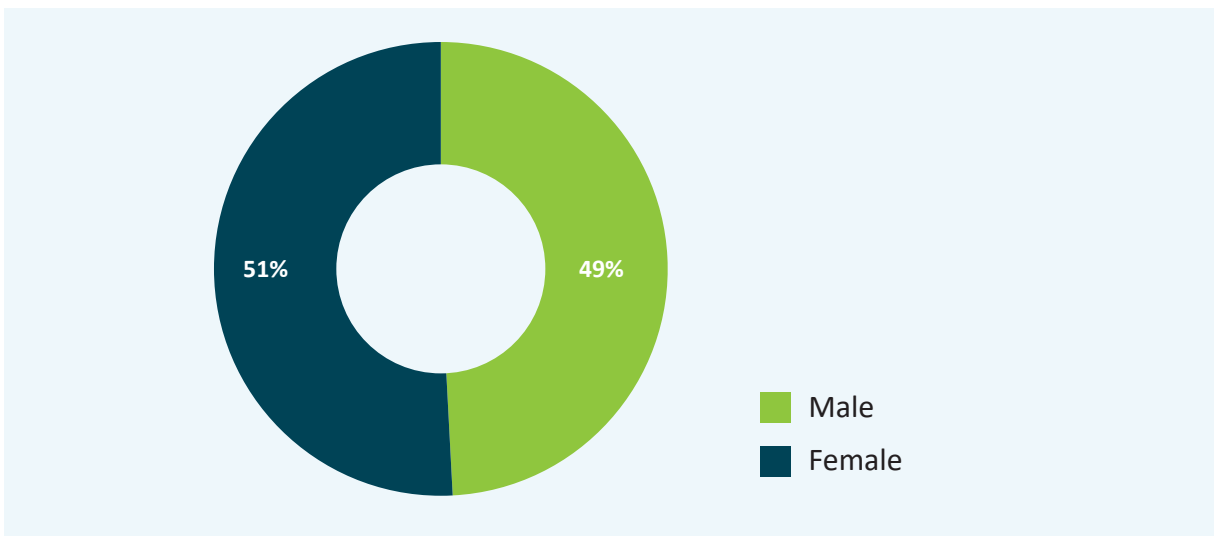
GRAPH 2: Yearly average percentage of population insured

The percentage that are children with health insurance has been declining in the last few years. In 2023, the number of children insured continued this trend, and the average percentage of children insured stands at **21.9%**.



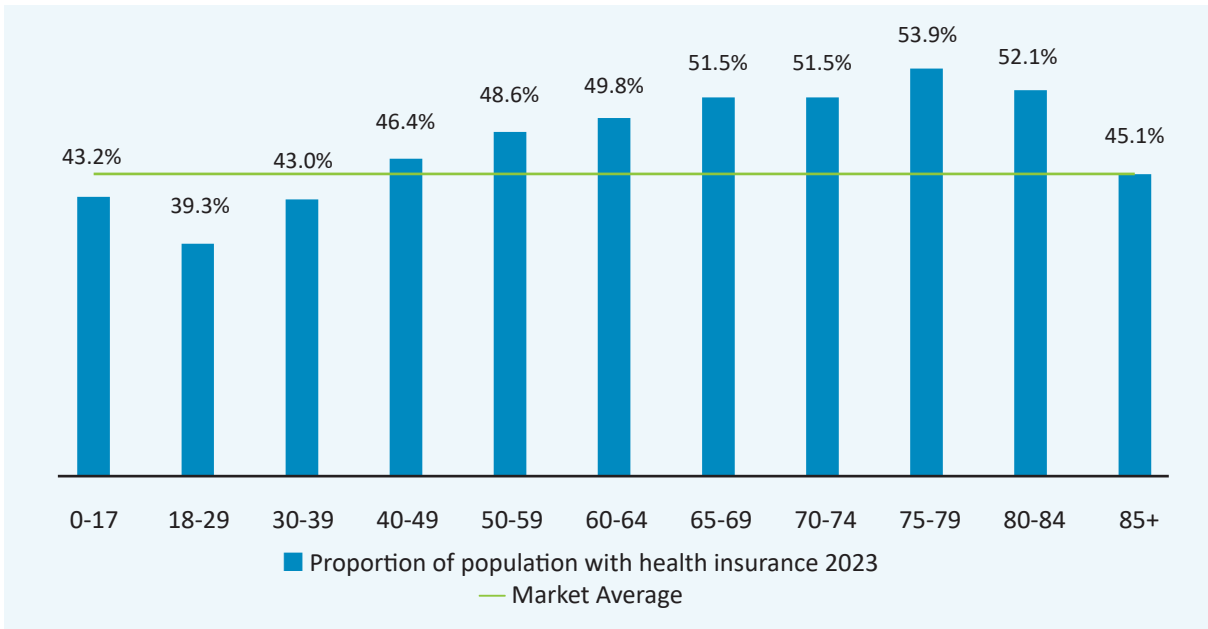
GRAPH 3: Yearly average percentage of children insured

Slightly more women (**51%**) took out health insurance than men (**49%**), which remains consistent with 2022.



GRAPH 4: Percentage of males and females with health insurance in Ireland

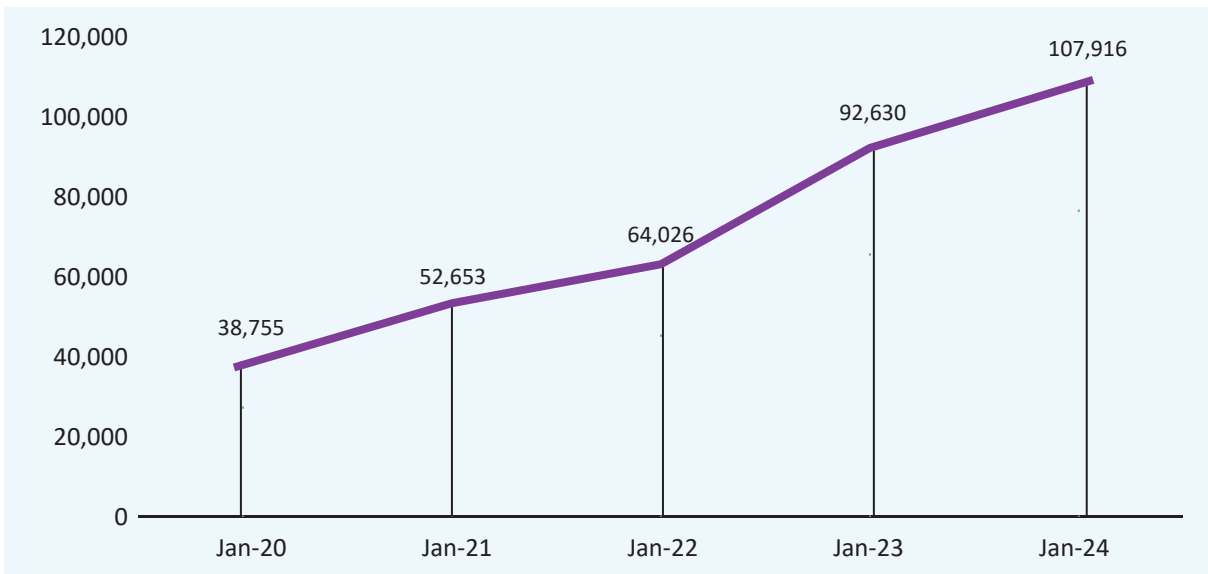
When comparing age groups, we can see that those aged **18-39** years old have lower percentages insured compared to the average across all age groups (average is **45.4%**). Meanwhile those aged **60-84** have higher percentages insured (greater than 50%).



GRAPH 5: Market penetration by age

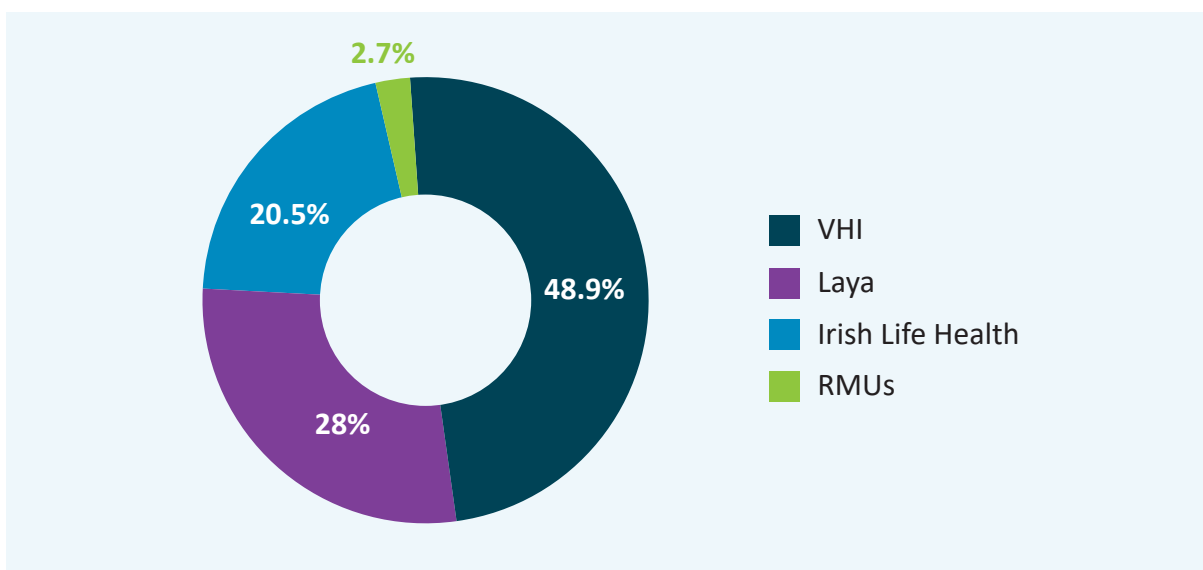
Lifetime Community Rating (LCR) loadings were introduced in 2015 for new customers taking out health insurance. It was introduced to encourage people to join the health insurance market at a younger age. This is where a loading applies to the gross premium for new customers aged 35 and over. The loadings start at 2% at age 35, up to a maximum loading of 70% for ages 69 or older.

The number of people paying LCR loadings has increased year on year. Currently **107,916** people (**4.5%** of the insured population) are paying a loading on their health insurance premium.



GRAPH 6: Number of insured persons paying LCR loadings

VHI continues to have the largest market share and ended the year at **48.9%**. Laya continued to increase its market share in 2023, and it now stands at **28%**. ILH remains steady at **20.5%**, and RMUs at **2.7%** (please see page 4 for RMUs definition).



GRAPH 7: Percentage market share for health insurers 2023

The table below reveals that while VHI has the largest market share, it is not increasing considerably. Meanwhile Laya Healthcare has seen the largest quarterly and annual increase at 0.6% and 3% respectively. The reason for the RMU's sharp decline in numbers is the closure of a scheme at the start of 2023.

	VHI	LAYA	ILH	RMUS	TOTAL
CHANGE LAST QUARTER	3,300	3,959	-588	190	6,865
PERCENTAGE	0.3%	0.6%	-0.1%	0.3%	0.3%
CHANGE 12 MONTHS	31,003	20,486	6,325	-18,521	39,330
PERCENTAGE	2.6%	3.0%	1.3%	-27.5%	1.6%

HEALTH INSURANCE PLANS

At the end of 2023, there were **350** active in-patient plans: **313** advanced and **37** non-advanced plans. In 2023, **no** plans were retired, and **23** new plans were introduced. The number of people on advanced and non-advanced plans has remained largely steady since last year, with **92.4%** of customers on **advanced** plans and **7.6%** on **non-advanced** plans (for a definition of advanced and non-advanced plans please see p.4).

50% of people with health insurance are on one of **30 plans**. Therefore, the choice between plans is concentrated even though there are **350** plans in the market.

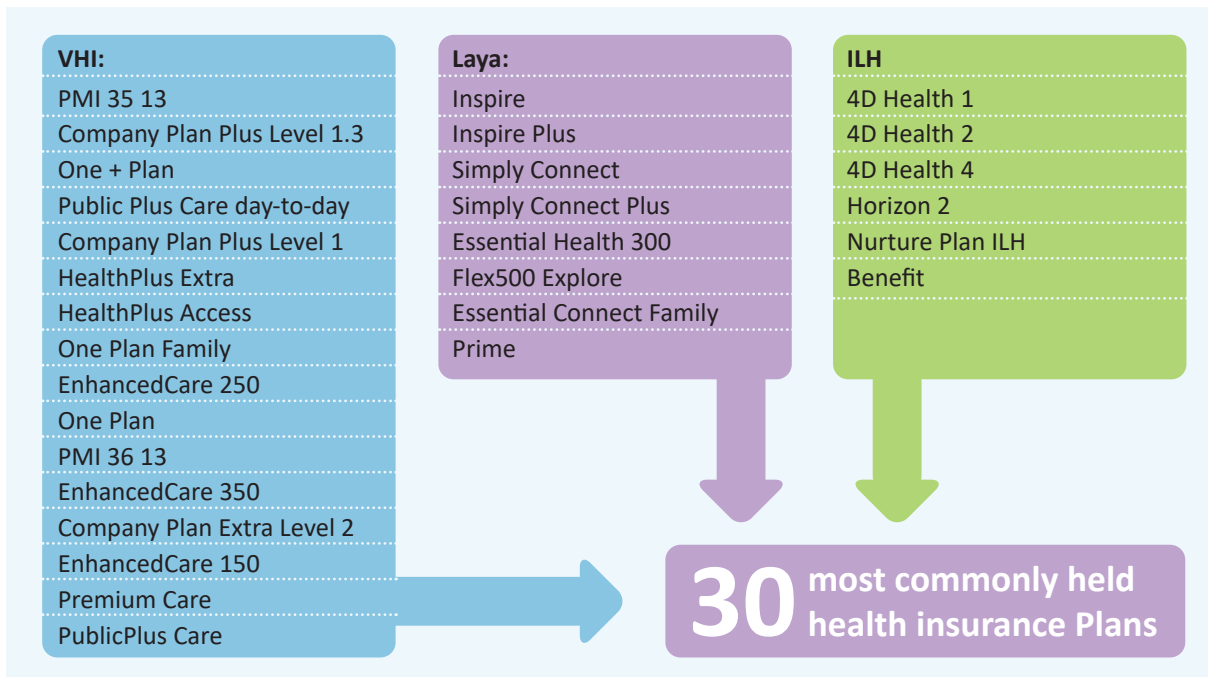


FIGURE 1: The 30 most commonly held health insurance plans at the end of 2023

The five most commonly held plans for all three health insurers at the end of 2023 are as follows:

VHI Healthcare				
Company Plan Plus Level 1	Company Plan Plus Level 1.3	One+ Plan	PMI 35 13	PublicPlus Care Day-to-Day
Adult price €1,720	Adult price €1,560	Adult price €1,489	Adult price €1,629	Adult price €562

Laya Healthcare				
Essential Health 300	Inspire	Inspire Plus	Simply Connect	Simply Connect Plus
Adult price €1,236	Adult price €1,308	Adult price €1,418	Adult price €1,597	Adult price €1,722

IRISH LIFE HEALTH:				
4D Health 2	4D Health 4	Benefit	Horizon 2	Nurture Plan ILH
Adult price €1,718	Adult price €2,059	Adult price €1,220	Adult price €1,593	Adult price €1,370

*These are adult prices as of March 2024

Common features for most of the commonly held plans for each insurer include:

The infographic consists of five blue circular icons on a light green background, each with a corresponding text description below it:

- Icon 1:** A hospital bed with a cross above it. **SEMI/ PRIVATE ROOM IN A PUBLIC HOSPITAL**
- Icon 2:** A doctor with a stethoscope. **GP VISITS (€20 BACK PER VISIT OR 50-75% OFF PER VISIT) AND/OR FREE ONLINE DOCTOR SERVICE**
- Icon 3:** A hospital bed with a cross above it. **SEMI/PRIVATE ROOM IN PRIVATE HOSPITAL WITH EXCESSES STARTING FROM €50-€300**
- Icon 4:** A hand holding a document with a checkmark. **€40 - €60 OR 50-75% BACK ON CONSULTANT FEE**
- Icon 5:** A stylized human figure with a joint highlighted. **JOINT REPLACEMENT COVER NOT FULLY REIMBURSED BY INSURER**

An option available to people taking out health insurance is to restrict cover. Plans with **restricted cover** typically include an excess, **the larger the excess the lower the premium**. There are 3 types of restricted cover:

Restricted cover in public hospitals	Restricted cover in private hospitals	Restricted cover on some high profile orthopaedic / ophthalmic benefits
<ul style="list-style-type: none"> ○ These plans limit the number of public hospitals covered, and these plans tend to be cheaper. 	<ul style="list-style-type: none"> ○ These plans either limit the number of private hospitals covered or charge an excess for using them, and a larger excess for using two or three particular hospitals. 	<ul style="list-style-type: none"> ○ This means that the cost of the procedure will not be fully reimbursed by the insurer. ○ These tend to have lower premiums than those that do not have restrictions.



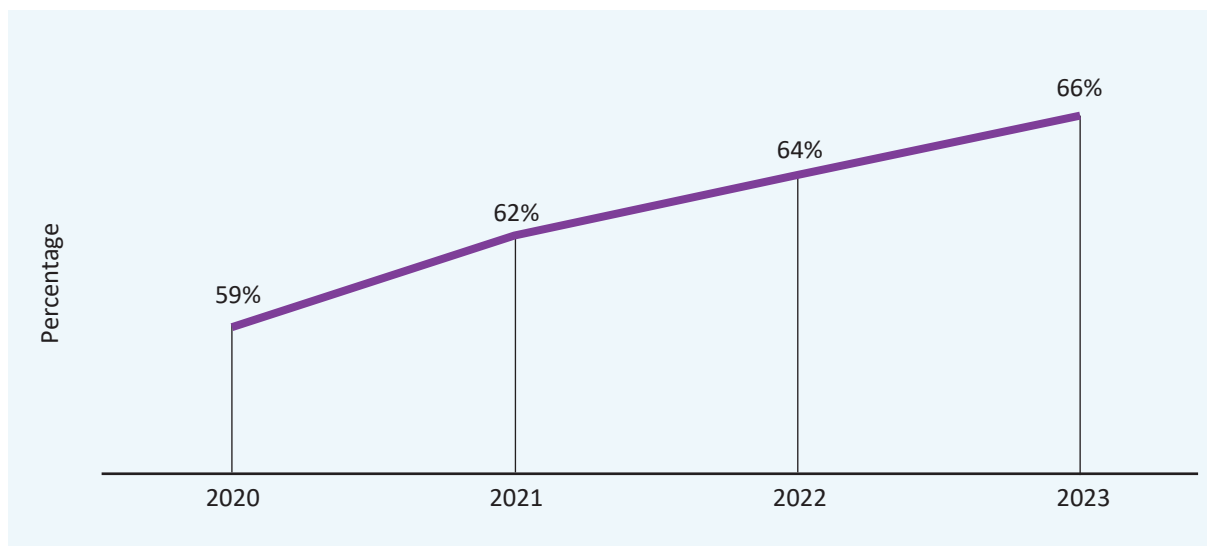
18-39

Age group with the
lowest level of
health insurance
coverage

66%

Increasing
% of people
with restricted
orthopaedic
plans

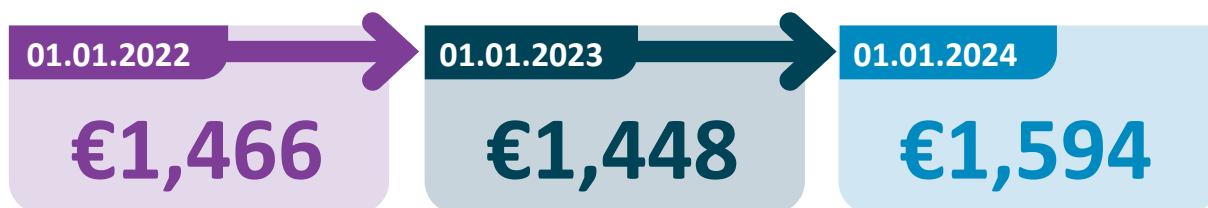
Plans with restricted orthopaedic / ophthalmic benefits have increased in popularity over the years, and this trend has continued. In 2023 **66%** of people with health insurance have a plan with restricted orthopaedic cover. **73%** of **under 65s** are on such a plan, whereas only **34%** of **over 65-year-olds** are on a plan that has restricted orthopaedic cover. This is one of the main reasons why older people with health insurance are paying more than younger people. Plans with higher orthopaedic cover tend to be more expensive.



GRAPH 8: Percentage of people with restricted orthopaedic cover

HEALTH INSURANCE PRICES

The cost of health insurance has **increased** compared to last year. The average of the premiums paid by adult members was **€1,594** on 1st January 2024, which is a **10% increase** on the previous year.



The average premium increased by **10%** for under 65s and **11%** for over 65s from January 2023 to January 2024. People over 65 years old are still paying on average **43%** more for health insurance.

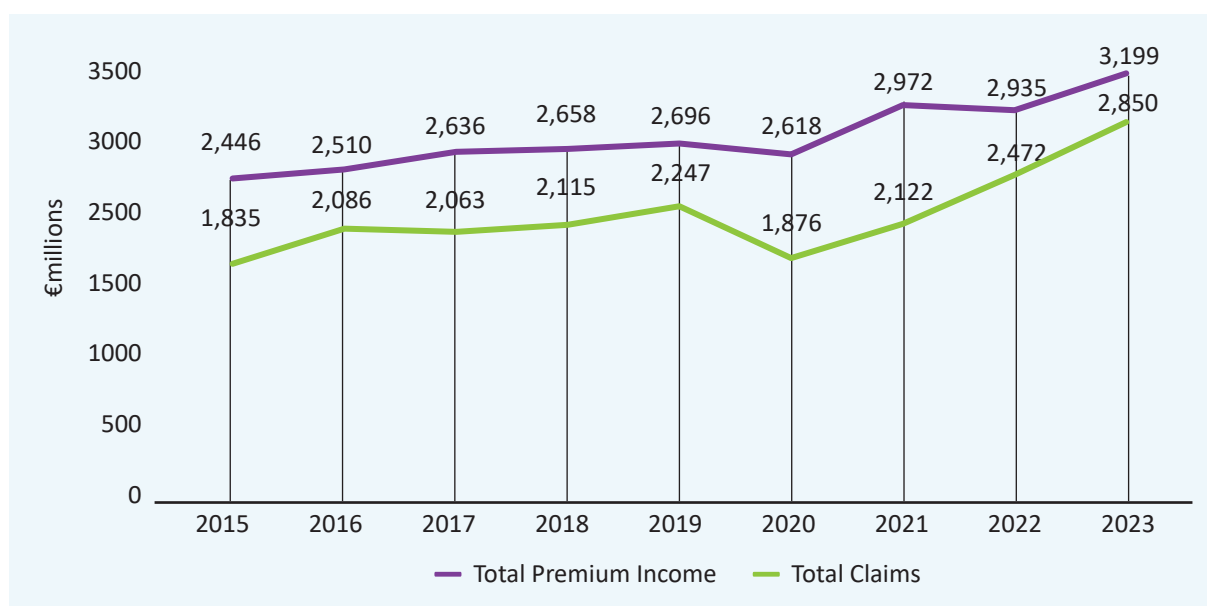
	Average Premium – 1 Jan 2023			Average Premium – 1 Jan 2024		
	<65	>=65	Difference	<65	>=65	Difference
Market	€1,352	€1,923	42%	€1,490	€2,136	43%

In 2023, the average change in the price of individual plans was an increase of **7.2%**. Price changes vary from plan to plan and ranged from **0% to 17.1%** (this is valid for the period 1st January 2023 to 1st January 2024).

	Average price change (%)	Range
Irish Life Health	10.8%	0.8% to 17.1%
Laya Healthcare	5%	0% to 7.5%
Vhi Healthcare	4.7%	0% to 13.7%
Overall health insurance market	7.2%	0% to 17.1%

CLAIMS PAID BY HEALTH INSURERS TO CONSUMERS

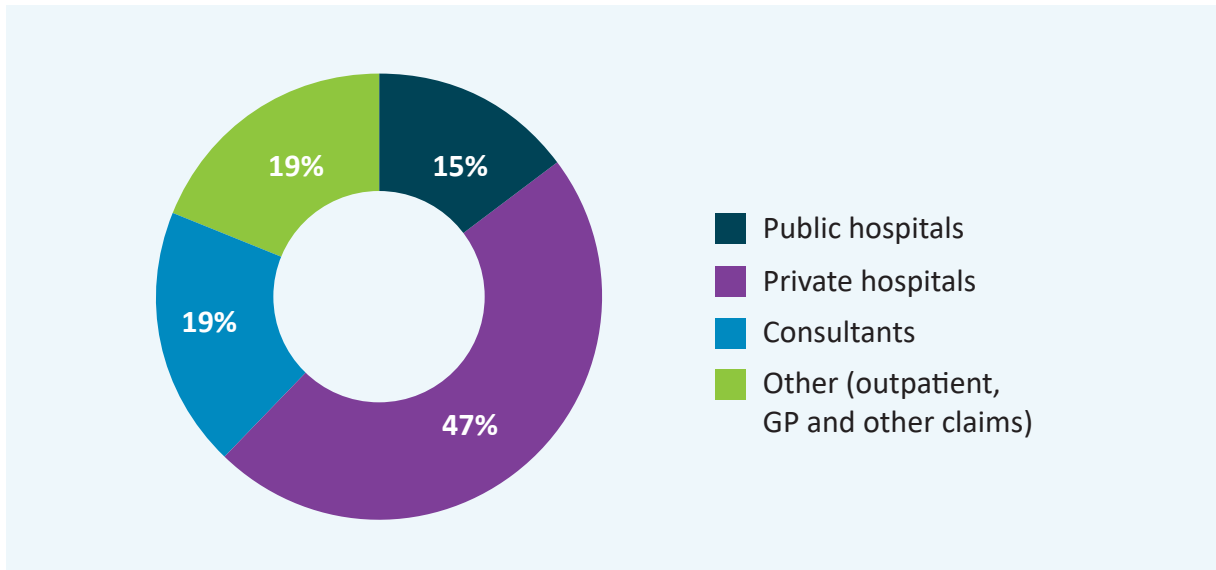
Total premium income has increased over the previous 12 months and now stands at **3.2 billion euros**. This can be attributed to the price increases on premiums that all three insurers have implemented at various points since the start of 2023 and the moderately increasing numbers purchasing health insurance during the last 12 months. The total level of claims paid by insurers in 2023 rose by **15%** on 2022.



GRAPH 9: Total premium income versus total claims paid by health insurers 2023

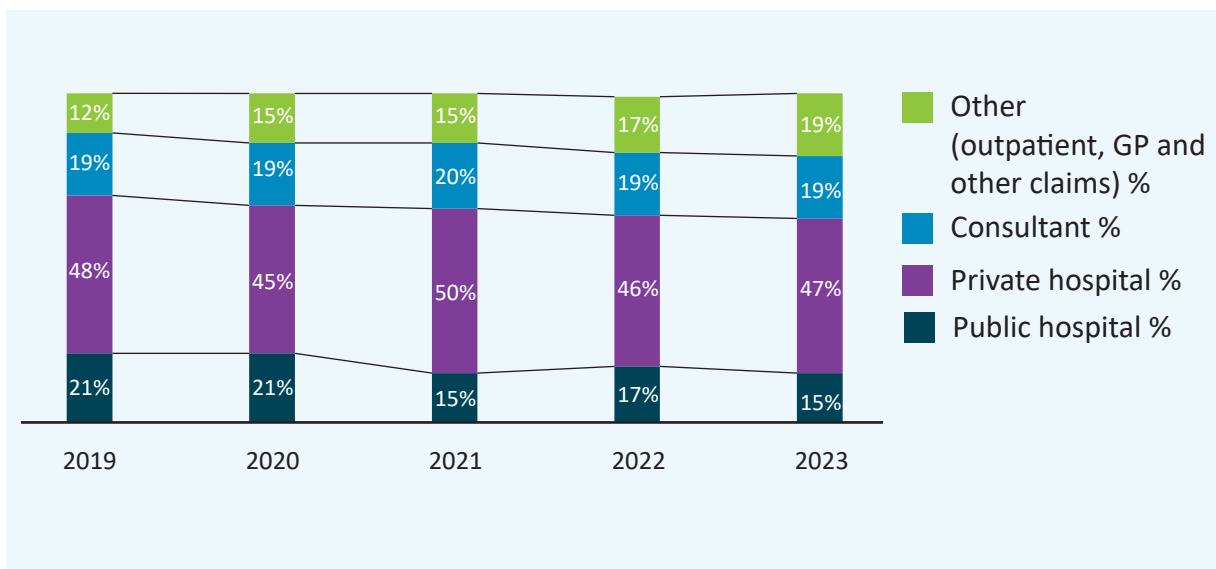
When you receive private healthcare treatment that is covered by your insurance, your insurer must pay the public hospital system, private hospitals, individual consultants, GPs and other providers of outpatient services. Payment for hospital treatment is usually paid directly by the insurer to the hospital and consultant, while consumers usually pay out of pocket for outpatient treatment then make a claim to the insurer for reimbursement.

In 2023, claims for treatment in **private hospitals** were 47% of total being paid (up slightly from 46% in 2022). Meanwhile claims for **public hospitals** have decreased to **15%** of total claims in 2023 (from 17% in 2022). Claims for **consultants** remains the same as last year (**19%**), and claims for **Other (includes outpatient, GP, and other claims)**, has increased to **19%** of total claims (from 17% in 2022).



GRAPH 10: Claims paid by health insurers for hospitals, consultants and other treatment in 2023

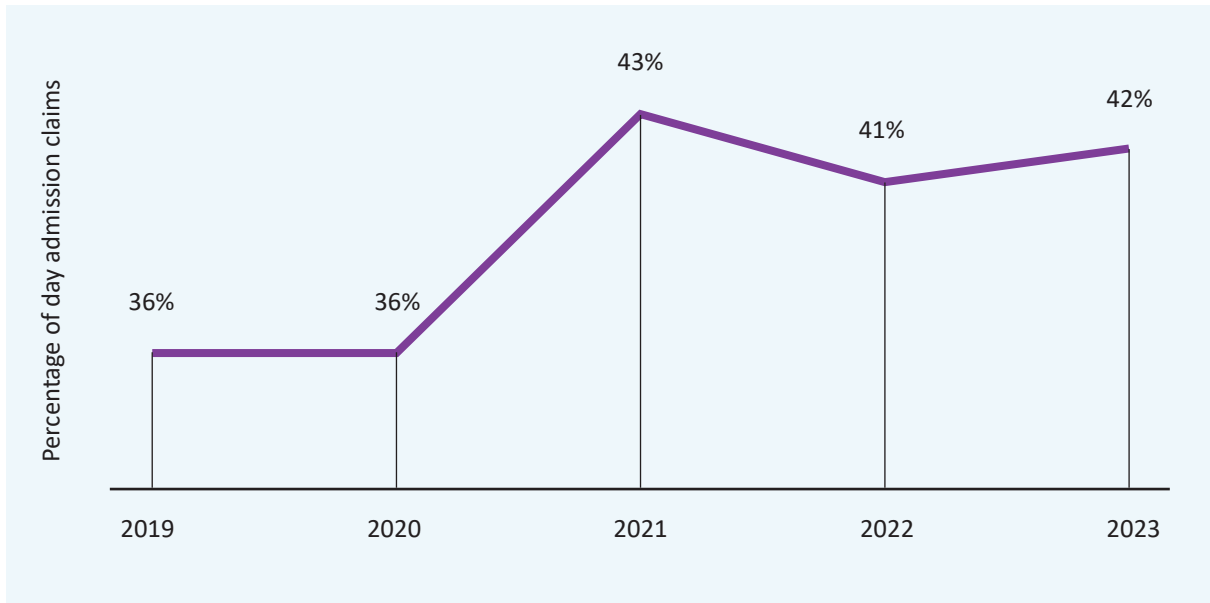
In 2023 there continues to be a decreasing proportion of total claims to public hospitals, although there had been a small rise between 2021 and 2022 (due to COVID-19 restrictions on public hospitals being lifted). The “other” category that comprises outpatient, GP and other claims from outside the hospital setting continued to increase.



GRAPH 11: Trends in claims paid by health insurers for hospital and other treatment (2019-2023)

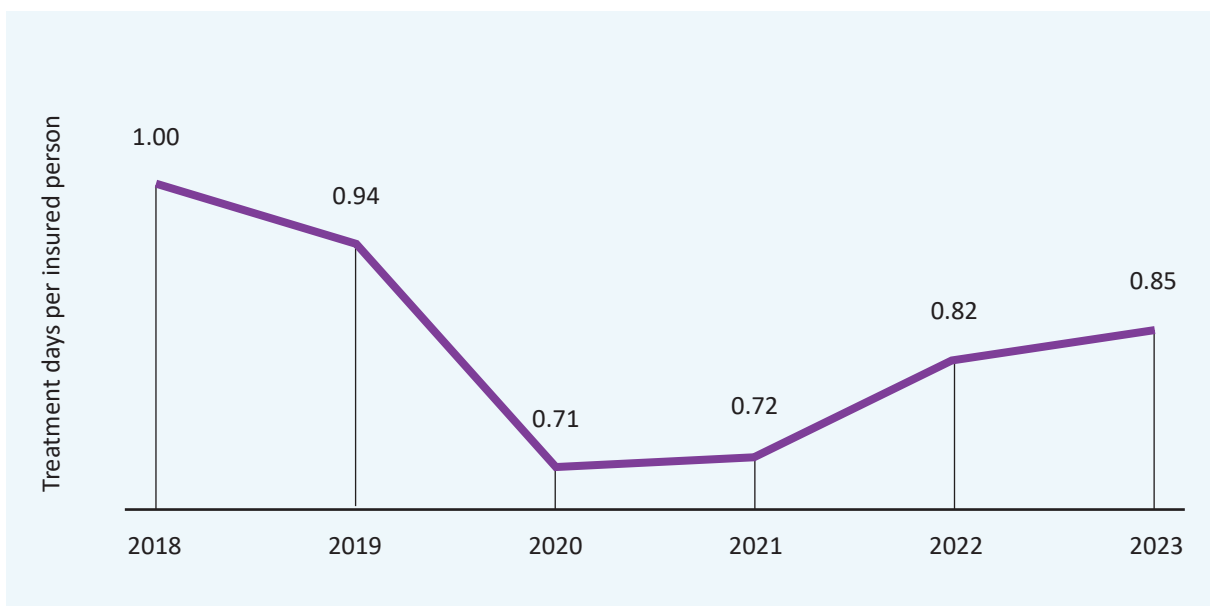
HOSPITAL INPATIENT DAYS

In 2023 claims were paid in respect of **1.7 million** days spent in hospital. This is an increase on 2022 where **1.6 million** days spent in hospital were claimed. **42%** of total days spent in hospital were day admissions. In last year's 2022 annual report, it had been noted as a trend worth observing. There is a growing trend in day rather than overnight admissions being claimed.



GRAPH 12: Percentage of day admission claims

The number of days spent in hospital per insured person **increased by 2.9%** between 2022 and 2023. This is a modest increase, given that between 2018 and 2021, the average number of days spent in hospital reduced significantly signalling a downward trend in the average number of days spent in hospital per insured person (it should be noted this reduction was larger in 2020 and driven by the impacts of COVID-19). Consequently, the number is still much lower than 2018.



GRAPH 13: Days spent in hospital per insured person (2018-2023)

HIA CONSUMER SUPPORT

In total, the HIA received **11,264** consumer queries in 2023. Most queries related to help with making comparisons for a health insurance policy. Below is a list of the queries:

Total	11,264
Comparisons	6330
Break In Cover	60
Booklets	114
Cancellation Policy	118
Cash Plans	15
Claims and Excesses	78
Cover for Children	19
Cover from Overseas	36
FOI	15
Group Discount	7
Insurer Contact Details	1741
LCR	310
Stamp duty	41
Maternity Benefits	42
Moving Abroad	122
Moving to Ireland	245
PHI in General	43
Plan Cover	196
Pre-existing Illness	85
Price Increase	27
RMU	6
Renewal Notices	2
Risk Equalisation	7
Special Procedures	1
Student Rates/ Young Adult Rates	2
Switching	76
Waiting Period	267
Website Info	81
Other	679
Outside Remit	472
Newsletter Requests	1
Statistics	26



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