



The Health Insurance Authority (HIA) is a statutory regulator of the private health insurance market in Ireland.

Market Figures

The health insurance plans regulated by the HIA can be categorised into two groups. The first group provides cover for the cost of inpatient hospital treatment, while the second does not. Plans in the second group provide cover for outpatient and day to day treatment and sometimes provide fixed cash amounts for every day spent in hospital.

Previously, the HIA only published the total number insured with plans that cover the cost of inpatient hospital treatment because the number of people with other plans was small and many of these people also had a policy covering hospital inpatient costs. In April, 2010 the Hospital Saturday Fund came within the remit of the HIA. As a result of the change in status of the Hospital Saturday Fund there was a significant increase in the number of people with these other plans. Consequently, the HIA now also publishes this figure.

The numbers insured under private health insurance plans have been falling gradually since the beginning of 2009. There was a decrease of 10,000 in the number insured in the second quarter of 2010.

<i>Private health insurance in-patient plans</i>	<i>Total Insured 000's</i>	<i>% Population</i>
<i>June-09</i>	2,275	51.0%
<i>Sept-09</i>	2,265	50.8%
<i>Dec-09</i>	2,260	50.7%
<i>Mar-10</i>	2,243	50.3%
<i>Jun-10</i>	2,233	50.1%
<i>Other Plans</i>	121	

HIA News...



Website

The Health Insurance Authority has further enhanced its website www.hia.ie to allow consumers to compare the Hospital Saturday Fund's (HSF) cash plans on its product comparison tool. HSF has been regulated by the Health Insurance Authority since the 1 April 2010. The tool allows users to compare cash plans and displays benefits and prices.

Consultation Papers

In accordance with the Government Decision of May 2010, the Health Insurance Authority has been asked by the Minister for Health and Children to carry out consultation processes regarding:

- A new risk equalisation scheme, including transitional arrangements.
- The preparation of a new set of Minimum Benefit Regulations.

The HIA has issued Consultation Papers on these issues which are available on its website.

Recent Product Developments

Aviva

On 1 July 2010 Aviva released a new plan, Nurses' and Teachers' Choice. This plan provides full cover for a private room in a public hospital and cover for a semi-private room in a private hospital with a €125 in-patient excess per claim. A maternity grant of €3,450 is provided towards hospital accommodation and a €400 benefit towards pre/post natal care. There is a €150 individual out-patient excess for general out-patient benefits such as home nursing or pre/post natal care and a €0 excess for a limited number of day-to-day benefits such as GP or Podiatrist benefits.



Government Announcement on Health Insurance

On 27 May 2010, the Government announced its strategy for a stable community rated health insurance market designed so that:

- The cost of health insurance for older and sicker people should be effectively supported by younger and healthier people and should be relatively affordable;
- Individuals do not face premium increases from year to year solely because of their own age or medical history; and
- Insurers compete on a level-playing field for customers in all age groups and can make reasonable profits.

It announced a comprehensive set of actions that include:

- The development of a full, robust new risk equalisation (RE) scheme to start in 2013;
- For 2010 and 2011, to continue the temporary interim tax relief/levy system, with payments to be set upon the annual recommendation of the Health Insurance Authority;
- The implementation of new transitional arrangements from 2012 that closely approximate the effect of the full RE scheme;
- Making a substantial capital investment in the VHI in order to achieve its authorisation with urgency; with the actual amount to be determined between the Minister for Finance and the Minister for Health and Children in light of appropriate advices;
- The organisation of the sale of the VHI, with the appointment of financial advisers to advise on structuring and sequencing;
- In that context, the investigation of measures to achieve a more even balance of customers among companies in the market;
- Steps towards the introduction of primary care cover into required minimum benefits for health insurance policies; and
- Other actions to increase competition and choice in the market.

Recent Product Developments *continued*

Vhi Healthcare

Vhi offered free worldwide multi-trip travel insurance to all new and renewing customers of One Plan between 8 July and 7 August 2010. The travel insurance was for the duration of 1 year.

Vhi reduced child rates on their One Plus Plan to zero on 1 August 2010, a saving of €190 per child. The new rates will apply to all new and renewing customers from 1 August 2010 to 30 September 2010.

Quinn Healthcare

On 1 July 2010 Quinn reduced the child and student prices on Essential Plus Excess for all new and renewing customers. All child and student prices were reduced to €183. This is a saving of €77 on the first and second child/student and €22 on the third and fourth child/student.

On 23 August 2010 Quinn reduced the child and student rates of Essential Health to zero. This provides a saving of €180 on the first and second child/student and €150 on the third and fourth+ child/student. This offer is available from 23 August to 30 September 2010 to all new and renewing customers.

Market News

National survey of the private health insurance market in Ireland

On 8th June 2010 the HIA released the findings of a national survey of the private health insurance market in Ireland. The survey includes an analysis of the effects of the recession on the attitudes and behaviour of consumers of private health insurance.

The Chief Executive of the HIA, Liam Sloyan said, "The survey provides a comprehensive insight into the attitudes amongst consumers in the marketplace. It shows that consumers continue to strongly value health insurance and there is a strong desire to have health insurance cover. The recession is, however, impacting on the market with some consumers cancelling policies due to job losses and greater uncertainty regarding future health insurance cover."

The full survey is available on the Authority website at www.hia.ie/publication/consumer-surveys.htm