



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

Market Figures

There was a reduction of 14,000 in the number of people insured with an inpatient health insurance policy in the first quarter of 2011 continuing the gradual fall in the number insured since the beginning of 2009.

In addition to those insured with inpatient plans, there were 108,000 insured with products providing solely outpatient benefits or health insurance cash plans.

Private health insurance in-patient plans	Total Insured 000's	% Population
Dec 2008	2,297	51.7%
Dec 2009	2,260	50.6%
Mar 2010	2,243	50.2%
Jun 2010	2,233	50.0%
Sept 2010	2,227	49.8%
Dec 2010	2,229	49.8%
Mar 2011	2,215	49.6%

Recent Product Developments

New plans March – May 2011

Vhi Healthcare released a new plan, PMI 04 11 (€3,222.22) on 1 March 2011. This plan gives full cover for a private room in public, private and hi-tech hospitals. There is a €3,500 maternity accommodation grant and significant out-patient benefits with a €1 out-patient excess.

General Price Increases

Aviva Health increased the cost of their individual and family plans by 14% on 1 March 2011, followed by an increase of 14% on their business plans on 23 March 2011.

On 4 March 2011, Vhi Healthcare increased the cost of their adult premiums on PMI 08 11 plan by 7.9%.

Quinn Healthcare increased its prices on 1 April by amounts ranging from 0-22%.

Aviva Health reduce Access Level 2 Plan premium 01.04.2011

The premium of Aviva's Access Plan Level 2, was reduced for children 1-3 from €190 to €157.80 on 1 March to the 1 April. The premium for the fourth child increased from €44 to €52.80.

Quinn Healthcare price reduction 13.05.2011

Quinn Healthcare reduced the cost of their child/student premiums for Credit Union Starter by 50% on 13 May 2011. Child/student (1-3) premiums are reduced from €237.60 to €118.80 and Child/student (4+) are reduced from €172.80 to €86.40.

Vhi Healthcare reduce benefits on Teachers Plan 09.03.2011

Vhi reduced orthopaedic and ophthalmic benefits on Teachers plan for renewals from 9 March 2011. The benefit paid for participating private hospitals for specified hip, knee and shoulder joint replacement procedures and specified ophthalmic procedures was reduced from 100% of the cost to 80% of the cost. Teachers Plan also increased in price from €772.22 per adult to €888.06 per adult.

Vhi vary price and benefits on PMI 06 11 Plan 25.03.2011

Vhi Healthcare increased the cost of the PMI 06 11 plan from €711.11 to €960 per adult on

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Recent Product Developments continued

25 March 2011. They also reduced the benefit paid for participating private hospitals for specified hip, knee and shoulder joint replacement procedures and specified ophthalmic procedures from 100% of the cost to 80% of the cost. From 15 May 2011, the terms of the contract reverted to those that applied before 25 March.

Vhi Healthcare price reduction on Company Plan Plus Level 1.2 plan 01.04.2011

Vhi Healthcare reduced the cost of their Company Plan Plus Level 1.2 plan from €990 to €900 on 1 April 2011. They also increased the benefits by removing the restrictions on orthopaedic and ophthalmic procedures in private hospitals, which will now be covered 100% from 1 April on this plan.

Vhi Healthcare price reduction on PMI 01 11 plan 23.04.2011

Vhi Healthcare reduced the cost of PMI 01 11 from €930 to €775 per adult from 23 April 2011. Child and student prices were reduced from €330 to €275. They also increased the benefits by removing the restrictions on orthopaedic and ophthalmic procedures in private hospitals, which are now covered 100% on this plan. On 25 May 2011, the terms of the contract reverted to those that applied before 23 April 2011.

Vhi Healthcare reduce child prices on One+ plan 01.05.2011

Vhi reduced the cost of their child prices on One+ plan from €218.50 to €109.25 on 1 May 2011.

Vhi Healthcare Rules Change 01.05.2011

Vhi Healthcare amended their rules booklets on 1 May 2011. The rules state that non-payment of the policy during the policy contract year will be considered a breach of contract and Vhi will seek recovery of expenses incurred by them as a result of the customer's non-payment. Non-payment of premiums within the first 15 days of the contract will result in non-payment of claims for that policy year and cancellation of the contract by Vhi Healthcare.

Vhi have amended their participating hospital list to exclude the following two hospitals; Millbrook hospital, Bandon, Cork and Shandon Street hospital, Cork. MRI cover has also been withdrawn from Euromedic in Naas General Hospital.



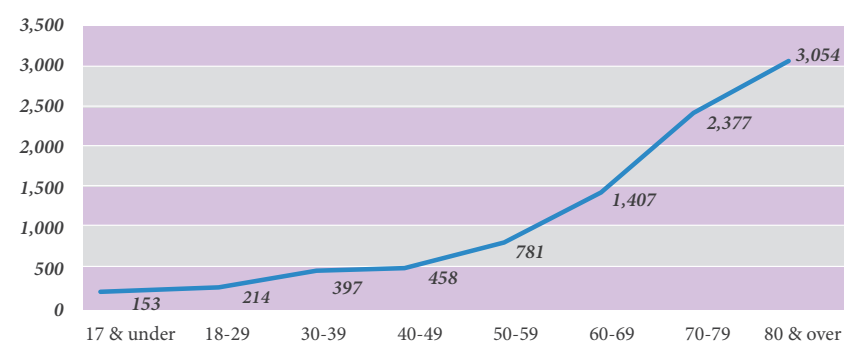
Website

The Health Insurance Authority website www.hia.ie has been very popular with consumers searching the market for the health insurance product most suitable for them. There has been over 210,000 visitors to the website in 2011; a significantly higher number than in 2010.

Claims included in returns to Authority

In March, the Authority forwarded a report to the Department of Health on its evaluation and analysis of information returns received from insurers in 2010. The report includes an analysis of claims costs. As health insurance in Ireland is community rated, premiums for adults do not vary with age. However, claims cost varies significantly. The following chart illustrates how the claims paid in 2010 increased with the age of the insured person.

Claims cost per insured person 2010



Data in the chart is taken from the half yearly data returns to the Authority which include approximately 80% of the total claims paid in the period.

As the claims costs for insuring older people are higher, the Irish State supports community rating by providing age related tax credits in respect of older people. These currently amount to €625 for those aged 60 -69; €1,275 for those aged 70 -79 and €1,725 for those aged over 80.

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