

Press release issued on behalf of the Health Insurance Authority:

Important changes to the health insurance market take effect from 30th April

- **Lifetime Community Rating will encourage people to take out health insurance before age 35**
- **Age-related loadings will apply to premiums for those taking out health insurance for the first time after 30th April**
- **The HIA is running a public information campaign in advance of the 30th April deadline with the theme of: “Don’t have health insurance? April 30th matters to you.”**

Wednesday, 4 March 2015 – The Health Insurance Authority is urging anyone who doesn’t have health insurance to consider taking it out now and avoid age-related loadings on health insurance premiums that will take effect after 30th April next.

Lifetime Community Rating is being introduced from 1st May to encourage people to take out health insurance before they reach age 35 years. This is an important measure to encourage younger people to take out health insurance at an earlier age. It will help to create a more balanced health insurance market, with long term benefits for all policy holders.

Anyone aged 35 or older taking out health insurance for the first time after 30th April will have a permanent age-related loading of 2% per year of age over 34 applied to their health insurance premium. For example, an individual aged 54 years taking out health insurance for the first time after 30th April will have a loading of 40% added to their premium each year; this loading will continue to apply for the duration that they remain insured.

Commenting, Minister for Health, **Mr. Leo Varadkar TD**, said:

“Over 2 million people have health insurance and this number is increasing again as incomes recover and competition in the health insurance market provides greater choice and better value. We need to get to a place where people really value their health insurance. In our community rated market, one of the ways health insurance can become more affordable is to increase the numbers of people taking out cover at a younger age, particularly in their 20s and 30s. Lifetime Community Rating is designed to encourage people to take out health insurance before they reach 35 years and not leave it too late. In this way it will help to keep down the cost of insurance for everyone as they get older.”

Commenting, CEO of the Health Insurance Authority, **Mr. Don Gallagher**, said: “A window of just over 8 weeks remains to take out health insurance and avoid a permanent 2% per year of age over 34 loading on premiums that will come into force after 30th April. It is very important for those who are aged over 34 years, or who are approaching their 35th birthday, to inform themselves about Lifetime Community Rating and take action quickly if they wish to avoid age-related loadings on premiums. Information about Lifetime Community Rating, and all the health insurance plans available in the market and how they compare, is available on www.hia.ie.”

The maximum loading is 70% for those aged 69 years and older who are taking out health insurance for the first time after 30th April. All insurers will apply the new age-related loadings. Up to three years credit will be given to persons that cancelled their health insurance contracts since 1 January 2008 due to unemployment. Also, people who move to Ireland after 30th April 2015 can avoid age-related loadings if they purchase health insurance within 9 months of establishing their principal

private residence in Ireland. For those who have had health insurance in the past and have allowed it to lapse, credit will be given for periods of previous cover when they take out cover again.

Lifetime Community Rating has no implications for people who already have health insurance and who continue in cover. They will continue to benefit from the special features of the community rated market in Ireland including open enrolment into any plan available on the market and the ability to switch insurers without penalty.

The Health Insurance Authority is running a public information and awareness campaign around Lifetime Community Rating with the theme of: *“Don’t have health insurance? 30th April matters to you.”* This campaign includes a nationwide advertising campaign in the run up to the 30th April deadline for the introduction of Lifetime Community Rating. Detailed information on Lifetime Community Rating, including a lifetime community rating calculator, is available at www.hia.ie.

Ends

Mr. Don Gallagher of the HIA is available for interview by arrangement through FTI Consulting.

Photographs of a photocall launch event taking place this morning at 11.30 am at the Rotunda with Minister Leo Varadkar TD, Don Gallagher of the HIA and a number of the actors appearing in the TV advertisement on the introduction of Lifetime Community Rating will be distributed to media outlets by Keith Arkins Photography.

For media queries, contact –

Jim Devlin, FTI Consulting, d. 01 66 33 606; m. 087 26310587; e. jim.devlin@fticonsulting.com

Or

Aoife Kelly, FTI Consulting, d. 01 6633630; e. Aoife.kelly@fticonsulting.com

Notes to Editors:

Further information on Lifetime Community Rating is available at www.hia.ie.

About the HIA - The Health Insurance Authority is a statutory regulator of the private health insurance market. The Authority was established in 2001 under the Health Insurance Acts. The Authority is independent in the exercise of its functions. Further information on the Authority is available at www.hia.ie.