

***The Consumer's Association of Ireland would like to make comments on the following, with regard to the Health Insurance Authority's Consultation Paper on Minimum Benefits:***

**General comments**

CAI feel there is an urgent need for clear, open and standardised definitions of 'minimum benefits' that consumers can readily understand, across all health insurance policies whether inpatient, day-patient or outpatient. This needs to be taken out of the realm of small print and explained comprehensively so consumers are aware of the exact limitations to their policies and the areas within healthcare that these could affect.

**Proposed changes**

• ***The role of the Health Insurance Authority (HIA)***

CAI support a widening of roles within the HIA, provided consumers are given adequate representation. Health insurance in Ireland is essentially a market-driven economy and as such CAI believe there must be an adequate independent consumer presence surrounding decision making to sufficiently protect consumers who avail of healthcare insurance products. It would make sense, therefore, for consumers to be represented either on the Board of HIA or by regular consultation with a designated consumer representative. If we are to hope for more competition, the role of HIA is going to have to be one of negotiation on behalf of the consumer.

• ***Changes to minimum benefits***

There is a distinct need for regular [perhaps annual] review of the scope of minimum benefits particularly where there is reference to prescribed minimum payments or reimbursements as these need to be inflation-linked so that consumers do not lose out. The existing minimum benefit schedule, adopted in 1996, specifies monetary amounts of cover, but as medical inflation continues to increase, consumers can find themselves 'under-insured' if these sums are not updated.

While there is mention in the HIA Consultation Paper of an option for looking at minimum benefit reimbursement rates in non-monetary terms, CAI feel that consumers need to be provided with unambiguous definitions of entitlements that they can assess against available premiums, when deciding that policies to choose from. It makes sense therefore, to retain a clear idea of monetary reimbursements.

A regular review is the only way to ensure the best 'minimum' possible available to consumers, while at the same time, ensuring that quality of best practice is maintained at the highest standard.

We would like to see a set of minimum benefits that are accessible, affordable and most of all, benefits that are not exclusive. At the moment in Ireland, health insurance is a private service, provided at a cost operating in a market doomed to dictation by its providers. While it is reasonable to look at Vhi schedules when deciding minimum benefits, there should be wider interpretations based on market forces and not just Vhi.

• ***Scope of minimum benefit regulations***

CAI, will look at this area when more information is made available. At this present moment, and because the health insurance market is guided by two providers only, it is difficult to assess the potential impact of further exemptions to the minimum benefit scheme and how this would impact on consumers.

The Health Insurance Authority

19 DEC 2003

RECEIVED