

Private Health Insurance My Rights, My Choices



THE
HEALTH INSURANCE
AUTHORITY

An tÚdarás Árachas Sláinte

The Health Insurance Authority

What we Do

The Authority is an independent regulator for the private health insurance market in Ireland. Its functions include:

- To monitor the health insurance market and to advise the Minister (either at his or her request or on its own initiative) on matters relating to health insurance;
- To monitor the operation of the Health Insurance Acts and, where appropriate, to issue enforcement notices to enforce compliance with the Acts;
- To carry out certain functions in relation to health insurance stamp duty and age related tax credits and in relation to any risk equalisation scheme that may be introduced;
- To take such action as it considers appropriate to increase the awareness of members of the public of their rights as consumers of health insurance and of health insurance services available to them; and
- To maintain "The Register of Health Benefits Undertakings" and "The Register of Health Insurance Contracts".

**Benefits and prices of all plans available on the market
can be easily compared on our comparison tool at
www.healthinsurancecomparison.ie**

Q What is private health insurance?

A: Private health insurance is insurance that helps cover all or part of medical costs incurred. Other benefits may also be provided as part of your policy.

Q What is the difference between a public patient and a private patient?

A: Beds in public hospitals are designated as either public beds or private beds. If you are receiving treatment as a public patient you are entitled to free treatment and accommodation apart from a charge of €75 per day, up to a maximum of €750 in a year as of 1 January 2010 (this is referred to as the public hospital in-patient charge). If you hold a medical card you do not have to pay any public hospital charges. If you are a public patient you do not have the right to choose your consultant.

Private and semi-private hospital care in Ireland is provided for in private hospitals and also in public hospitals. If you opt for private care in a public hospital, you or your insurer must pay for your treatment and accommodation, in addition to the public hospital in-patient charges.

As of 1 January 2010 rates for treatment and accommodation as a private or semi-private patient in a public hospital are up to €785 per day for a semi-private room and up to €910 per day for a private room. Private hospitals are free to set their own charges. You or your insurer will also have to pay medical consultant's fees.

Q Are critical illness policies or income protection policies private health insurance?

A: No. These types of insurance are not licensed by the Health Insurance Authority. The sums of money provided by these plans are not based on the cost of the medical expenses incurred. These types of insurance are regulated by the Financial Regulator.

Q Who can provide me with private health insurance?

A: There are two types of private health insurer in Ireland:

1) *Open Membership Insurers* must provide insurance to everybody who requests it from them. Currently there are four such insurers operating in Ireland, namely Aviva Health, Quinn Healthcare, Vhi Healthcare, and HSF Health Plan. Only the first three provide cover for hospital in-patient costs.

2) *Restricted Membership Insurers* provide insurance to people who are members of a particular group, normally a vocational group or employees of a particular organisation and their dependants. For example, such schemes are operated for members of the Garda Síochána and their dependants and for employees of the ESB and their dependants.

Q Can anyone buy private health insurance?

A: Yes. All applicants for private health insurance cover must be accepted by a private health insurer, regardless of their health status or age. However waiting periods may apply before benefits can be claimed.

Q Will my age affect my insurance premium?

A: No. The health insurance system applying in Ireland is called community rating. In a community rated system everyone pays the same premium for a given health insurance plan, except in the following circumstances:

- Children, where the premium must be no more than 50% of the policy holder's premium.
- Full time dependant students under the age of 23, where the premiums may be reduced. The reduced premium must not be more than 50% of the adult policy holder's premium.

- Members of group schemes, where the premium may be reduced by up to 10%.
- Pensioners who are members of restricted membership insurers may have their premiums reduced.

Q Can an insurer refuse to sell me a particular plan?

A: No. An insurer must sell you the policy you request. Some plans are marketed towards certain groups such as companies or professions but you are entitled to purchase these plans regardless of whether or not you are a member of the group to whom it is being marketed.

Q Do I have to serve a waiting period when I take out health insurance for the first time?

A: If you are taking out health insurance for the first time or have allowed your cover to lapse for 13 weeks or more, you will be covered for accident and injury claims immediately. However an insurer may apply a waiting period to all other claims. The maximum waiting periods that an insurer may apply in these circumstances are as follows:

- 52 weeks in respect of maternity benefits
- 26 weeks in respect of a person who is under the age of 55 years for benefits other than maternity
- 52 weeks in respect of a person who is of or over the age of 55 years and under the age of 65 years
- 104 weeks in respect of a person who is 65 years and over

Q **What happens if I allow my health insurance to lapse for more than 13 weeks?**

A: If you allow your cover to lapse for more than 13 weeks you may have to serve your waiting periods again.

Q **I have a medical condition. Do I have to serve additional waiting periods before I am covered for this?**

A: If you are taking out health insurance for the first time and have a pre-existing condition, the health insurer can impose a waiting period in respect of cover for treatment for this condition. The maximum waiting periods that the health insurer may impose in this case are as follows:

- 5 years, for a person who is under the age of 55 years.
- 7 years, for a person who is of or over the age of 55 years and under the age of 60 years.
- 10 years for a person who is 60 years or over.

These waiting periods may apply from the date of policy commencement. It should be noted that whether or not a condition existed at the time that an insured person began serving a waiting period is decided on the basis of medical advice. Whether or not the insured person was aware that they had the condition at the time that they started serving the waiting period may be considered not to be relevant by the insurer. If this matter is important to you, you should consider clarifying it with your insurer.

Q **Can my health insurer refuse to renew my contract if I get sick?**

A: No. A system of lifetime cover operates in Ireland. This is a system that protects you by guaranteeing all consumers the right to renew their policies, irrespective of factors such as age, risk status or claims history. Once you have health insurance, an insurer cannot stop cover or refuse to renew your insurance, except in very limited circumstances e.g. in the case of a fraudulent claim.

Q Can I change my insurer or upgrade/change my health insurance plan?

A: Yes. You have the right to change your health insurance plan, or insurer. The insurer may not impose additional waiting periods unless you are upgrading your cover. Even when you are upgrading your cover, an insurer may only impose an extra waiting period in respect of the additional cover in the new policy. The maximum waiting periods that can be applied in relation to new benefits are as follows:

- 2 years for a person under 65 when first named under the higher contract.
- 5 years for a person of 65 and over when first named under the higher contract.
- 52 weeks for maternity

In-Patient benefits

As of January 2011 insurers only apply waiting periods to in-patient benefits when used for conditions which existed prior to the upgrade in cover.

Out-patient benefits

Insurers currently apply different waiting periods to out-patient benefits when you upgrade your cover. These waiting periods apply to both new and existing conditions.

Q What happens if I switch from my current insurer and wish to return to them at a later date?

A: If you switch insurer and later decide you want to switch back, you may do so. The insurer may only impose waiting periods for any extra benefits available on your new plan.

Q Will my baby have to complete a waiting period?

A: Infants born to policy holders will not serve a waiting period if they are added to a policy within 13 weeks of their date of birth.

Q Can I claim tax relief on my health insurance premium?

A: Private health insurance premiums are subject to income tax relief at source at the standard rate (currently, as at January 2010, 20%). The premium charged by the insurer will automatically take account of this relief.

Q What is the community rating health insurance levy?

A: The Irish State supports the community rated system by providing age related tax credits to people over the age of 50 to help meet the higher cost of health insurance cover for older people. As a result, older people pay the same amount net of these tax credits for their health insurance as younger adults pay. These tax credits are funded by a levy paid by health insurers. In 2010 this levy is equal to €185 for each adult covered by the insurer and €55 for each child. The tax credits and levy are administered by the health insurance companies.

Q Can I claim tax relief on the portion of my medical bills which aren't covered by the health insurer?

A: You can claim tax relief on the cost of certain qualifying medical expenses incurred by you, your spouse or your dependants at the standard tax rate of 20% from 1st January 2010. Those not paying income tax will not be able to claim this relief. You should note, however, that you cannot claim relief in respect of sums already received or due to be received from any public or local authority, a private health insurance policy or any other source (e.g. compensation). For example, your health insurance policy might give you €20 for each doctor's visit. However the visit actually costs €50. You

can then claim tax relief on the €30 which wasn't covered by your health insurer. Further details of these reliefs, including details of medical expenses that qualify for tax relief, are available from the Office of the Revenue Commissioners (Lo-call 1 890 60 50 90 and www.revenue.ie).

Q I am moving to Ireland. Can I get private health insurance?

A: You can take out insurance if you become a resident of Ireland. You may however, have to serve a waiting period. If you are an EU national and you become ill or have an accident during a visit to any EU country you can get free or reduced cost healthcare on production of a European Health Insurance Card. You can obtain this card from your country of usual residence. (www.ehic.ie)

Q How do I make a complaint about my private health insurer?

A: If you wish to make a complaint in relation to your private health insurance you should first discuss it directly with your insurer. If you are unable to resolve your complaint, you may contact the Financial Services Ombudsman. The decision of the Financial Services Ombudsman is binding on all parties unless the decision is appealed to the High Court. Alternatively you may contact the Health Insurance Authority. You also have a right of access to the courts in respect of disputes with insurers.

Useful Addresses

Name

Address

Health Insurance Authority

Canal House,
Canal Road,
Dublin 6.

Aviva Health

PO Box 764,
Togher,
Co. Cork.

Quinn Healthcare

Eastgate Business Park,
Little Island,
Co. Cork.

Vhi Healthcare

IDA Business Park,
Dublin Road,
Kilkenny.

National Consumer Agency

4 Harcourt Road,
Dublin 2.

Financial Services Ombudsman

3rd Floor, Lincoln House,
Lincoln Place,
Dublin 2.

Citizens Information Board

7th Floor Hume House,
Ballsbridge,
Dublin 4.



This leaflet is a general guide only and is not intended as a legal textbook or a summary of all matters that could be relevant to your individual circumstances.

Telephone**Email****Internet**

1850 929 166
(01) 4060080

info@hia.ie

www.hia.ie
www.healthinsurancecomparison.ie

1850 717 717

support@avivahealth.ie

www.avivahealth.ie

1890 89 1890

info@quinn-healthcare.com

www.quinn-healthcare.com

1850 444444

info@vhi.ie

www.vhi.ie

1890 432 432

query@nca.ie

www.nca.ie
www.itsyourmoney.ie
www.consumerconnect.ie

1890 882090

enquiries@financialombudsman.ie

www.financialombudsman.ie

1890 777121

information@citizensinformation.ie

www.citizensinformation.ie



Health Insurance Authority
Canal House, Canal Road,
Dublin 6.

Lo-Call 1850 929 166

T: 01 4060080

E: info@hia.ie

W: www.hia.ie

01/11



THE
HEALTH INSURANCE
AUTHORITY

An tÚdarás Árachas Sláinte