

# Private Health Insurance Consumer Rights

*My Rights,  
My Choices*



THE HEALTH  
INSURANCE

AUTHORITY

An tÚdarás Árachas Sláinte

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## The Health Insurance Authority - What we do

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

- 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”.

### *Q What is private health insurance?*

Private health insurance is insurance that helps cover the health costs incurred as a private patient. Subject to the terms and conditions of health insurance contracts, the insurer may cover all or part of the medical and hospital expenses that a private patient incurs.

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

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 maintenance apart from a charge of €75 per day, up to a maximum of €750 in a year from 1st January 2009. You are entitled to free consultant treatment. You do not have the right to choose your consultant. If you hold a medical card you do not have to pay any public hospital charges. 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 maintenance, in addition to the public hospital in-patient charges. From 1st January 2009 maintenance rates for treatment as a private or semi-private patient in a public hospital will range from €222 per day for a semi-private room to €910 per day for a private room. Private hospitals are free to set their own charges and can be significantly higher. You or your insurer will also have to pay medical consultant's fees.

**Q *Are hospital cash plans, critical illness policies or income protection policies private health insurance?***

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.

**Q *Who can provide me with private health insurance?***

There are two types of private health insurer in Ireland:

***Open Membership Insurers*** must provide insurance to everybody who requests it from them. Currently there are three such insurers operating in Ireland, namely Quinn Healthcare, Vhi Healthcare and Hibernian AVIVA Health.

*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 get private health insurance?*

Yes. All applicants for private health insurance cover must be accepted by a private health insurer, regardless of their risk status, age or sex.

### Q *Will my age affect my insurance premium?*

No. The system applying in Ireland is called community rating, where a person's age does not determine the level of premium that they pay. There are a number of exceptions namely:

- Children, where the premium must be no more than 50% of the adult rate.
- 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 my health insurer refuse to renew my contract if I get sick?*

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.

### *Q Can I change my health insurance plan or insurer?*

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. Currently, these waiting periods are only applied to those conditions which existed prior to the update in cover. However, if you allow your health insurance to lapse for 13 weeks or more, you may have to start your waiting periods all over again. 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

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

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 waiting periods that an insurer may apply in these circumstances are as follows:

- 26 weeks in respect of a person who is under the age of 55 years.
- 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.

A health insurer may impose a waiting period of 52 weeks in respect of maternity benefits.

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

If you are taking out health insurance for the first time and have a pre-existing condition e.g. diabetes, 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.

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 If I upgrade my cover do I have to serve a waiting period?*

If you upgrade your cover you may have to serve an additional waiting period in respect of the extra benefits you receive as a result of the upgrade in cover. These waiting periods currently only apply to those conditions which existed prior to the update in cover. The maximum waiting periods that the health insurer can impose in relation to the new benefits are:

- Up to 2 years for a person under the age of 65 years.
- Up to 5 years for a person who is 65 years and over.

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

If you switch insurer and later decide you want to switch back, you may do so without penalty as long as you switch to an equivalent level of cover. However, the insurer may impose waiting periods for any extra benefits available on your new plan.

### *Q Will my baby have to complete a waiting period?*

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?*

Private health insurance premiums are subject to income tax relief at source at the standard rate (currently, as at January 2009, 20%). The premium charged by the insurer will automatically take account of this relief.



### **Q *What is the community rating health insurance levy?***

Insurers will pay a community rating levy in respect of all individuals covered for health insurance. In 2009, this will be €160 for adults and €53 for children. Insurers will charge a higher premium in respect of people aged over 50 that equals this additional tax credit so that adults will pay the same premium net of all reliefs irrespective of age. In this way, insurers will receive premiums that better reflect the higher cost of insuring older people. This will be administered by the health insurance companies.

### **Q *Can I claim tax relief on the portion of my bill which isn't covered by the health insurer?***

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 2009. Those not subject to taxation 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 (e.g. a health board), a private health insurance policy or any other source (e.g. compensation). For example, your health insurance policy gives 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. You must keep copies of all your receipts for 6 years to avail of this tax relief. 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 1890 60 50 90 and [www.revenue.ie](http://www.revenue.ie)).

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

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.

### *Q I am a member of a Restricted Membership Insurer (RMI) e.g. the Garda Medical Aid. Can I switch without penalty?*

If you are over 23 and are switching from an RMI, other than the ESB Staff Medical Provident Fund (SMPF)<sup>1</sup>, to an Open Membership Insurer (OMI) then you are treated as a new entrant to the system and full waiting periods can be applied, even if you have already served your waiting period with your current RMI.

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

If you have a problem with 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 but when one party is dissatisfied with the decision, it may be appealed to the High Court.

You also have a right of access to the courts in respect of disputes with insurers.

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<sup>1</sup> Members of ESB SMPF are treated in the same way as members of OMI'S when switching because ESB SMPF did not opt out of the risk equalisation scheme.

# Useful Addresses

Name	Address	Telephone	Email	Internet
Health Insurance Authority	Canal House, Canal Road, Dublin 6.	(01) 4060080	info@hia.ie	www.hia.ie
Quinn Healthcare	Mill Island, Fermoy, County Cork.	1890 700890	info@ quinn-healthcare.com	www.quinn-healthcare.com
Vhi Healthcare	IDA Business Park, Dublin Road, Kilkenny.	1850 444444	info@vhi.ie	www.vhi.ie
Hibernian AVIVA Health	PO Box 764, Togher, Cork.	1850 717717	support@ hibernianavivahealth.ie	www.hibernianavivahealth.ie
Financial Regulator	6-8 College Green, Dublin 2.	1890 777777	consumerinfo@financial regulator.ie	www.itsyourmoney.ie
Financial Services Ombudsman	3rd Floor, Lincoln House, Lincoln Place, Dublin 2.	1890 882090	enquiries@financial ombudsman.ie	www.financialombudsman.ie
Citizens Information Board	7th Floor Hume House, Ballsbridge, Dublin 4.	1890 777121	information@citizens information.ie	www.citizensinformation.ie

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.

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