

28 October 2005

RISK EQUALISATION PROCESS

As independent regulator of the private health insurance industry, the HIA (The Health Insurance Authority) is continuing to carry out its statutory duty in relation to the Risk Equalisation Scheme (RES) that came into effect on 1st July, 2003.

The HIA has completed its assessment on the need to commence risk equalisation payments. As part of this process, the HIA had established by analysis of detailed information from health insurers, that the current risk differential between insurers is such that the Authority is required to make a recommendation to the Tánaiste and Minister for Health and Children as to whether or not risk equalisation payments should be commenced.

Following detailed analysis of representations from the health insurers affected, the Authority has submitted its report to the Tánaiste including its recommendation. Under the relevant legislation, the HIA proposes to inform the health insurers of its recommendation on or after 11 November, 2005.

Ends

For reference contact:

Paul McSharry
Financial Dynamics
01 – 663 3600 / 087 240 6642

Editor's Note:

Further information on the Risk Equalisation Scheme is available at
<http://www.hia.ie/functions/risk.html>