

13th September 2005

HIA CONTINUES RISK EQUALISATION REVIEW

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 carries out an assessment every 6 months. On the last occasion, the HIA recommended in April 2005 to the Tanaiste and Minister for Health and Children that Risk Equalisation payments should be made for the first time. The Minister decided not to introduce Risk Equalisation payments.

The Authority has now assessed further recent returns from the insurers in the marketplace and has now formulated a proposed recommendation with regard to whether or not Risk Equalisation Payments should be commenced at this time.

The HIA has notified insurers of the recommendation that it proposes to make and in accordance with the legislation will allow 21 days for insurers to make representations (i.e to 3rd October 2005). After considering these representations, the HIA will come to a final view in relation to its recommendation and forward its report to the Tanaiste and Minister for Health and Children by 28th October 2005.

Ends

Editor's Note:

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