



An tÚdarás Árachas Sláinte
The Health Insurance Authority

Lifetime Community Rating





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What we do

The Authority is an independent regulator for the private health insurance market in Ireland.



If you need to know about lifetime community rating, find out more at
www.hia.ie



Lifetime Community Rating

Q: What is Community Rating?

A: Community rating is a system whereby everyone pays the same premium for a particular health insurance plan irrespective of age, gender or likely future state of their health. There are limited exceptions such as reduced rates applying for children, young adults aged 18-25, and members of group schemes.

Q: What is Lifetime Community Rating?

A: Lifetime community rating modifies community rating so that the premium that individuals pay for health insurance increases with the age at which they enter the private health insurance market. It does not vary in relation to their current age. Under this system, a 50 year old who has held insurance since he or she was 30 would pay the same as a 30 year old, but a 50 year old who purchases insurance for the first time would pay more than a 30 year old.

Q: Why was Lifetime Community Rating introduced?

A: Community rated markets depend on a continuing influx of younger people. Younger people claim less on average and, accordingly, a continuing influx of younger people keeps premiums down for everybody. Conversely, if people wait until they are older before taking out private health insurance, premiums will increase for everybody.

Lifetime Community Rating encourages people to join the private health insurance (PHI) market at a younger age and this will help in controlling premium inflation.

Q: When was lifetime community rating introduced?

A: Loadings apply to people aged higher than 34 taking out inpatient private health insurance for the first time after 30 April 2015.

Q: What loadings apply?

A: A loading of 2% of the gross premium applies for every year of age higher than age 34 that an individual has attained when they first purchase inpatient private health insurance after 30 April 2015.

Example

I am 45 years old and I am taking out health insurance for the first time. My community rating premium (after tax relief) is €1,000 per annum. What premium shall I pay including the lifetime community rating loading?

The annual premium is €1,000 plus €200 tax relief	€1,200
The loading is 22% of the gross premium of €1,200	€264
Gross premium including Lifetime Community Rating loading	€1,464
Tax relief of 20% gross premium limited to €200	€200
Amount Payable	€1,264

Q: Can I drop my health insurance for a period without a loading applying?

A: Breaks in cover of up to 13 weeks are allowed without affecting your loading.

Q: Will I have to pay a loading for the rest of my life?

A: No, loadings will apply for a maximum period of 10 years.

Q: I am aged over 34 and I have never had health insurance, does that mean that I will have to pay a higher premium when I get it?

A: Yes. A loading of 2% of the gross premium will apply for 10 years for every year over 34 years you have attained.

Q: What is a health insurance cash plan?

A: A health insurance cash plan provides monetary benefits for a range of medical events but unlike other private health insurance plans, health insurance cash plans do not provide inpatient cover for costs incurred in hospital as a private patient.

Q: I have a health insurance cash plan and I am over age 34. Will a loading be applied to me if I switch to an inpatient private health insurance plan?

A: Yes. Health insurance cash plans are not included in Lifetime Community Rating, so if you do not hold an inpatient plan by 30 April 2015, a loading will be applied when you switch to, or purchase an inpatient private health insurance plan.

Q: Are my previous periods of inpatient cover taken into account in calculating the loading?

A: Yes, if you take out inpatient private health insurance after 30 April 2015, your previous periods of cover are taken into account in calculating any loading that may apply to you. If you had continuous cover for the period 1 May 2009 to 30 April 2015, the insurer will consider you to have had continuous cover since the age of 23, even if you have no proof of cover prior to 1 May 2009. If you did not have continuous cover for the period 1 May 2009 to 30 April 2015, but you held insurance prior to 1 May 2009, the onus is on you to prove you held insurance at that time. Periods of cover held on a health insurance cash plan will not be taken into account for the purposes of calculating loadings.

Q: I am 50 now, I had inpatient private health insurance for 5 years in my late 20s / early 30s and then I let it lapse. Will I have to pay a higher premium under Lifetime Community Rating, given that I first got insurance under age 35?

A: Yes. Your insurer will calculate your age at entry under lifetime community rating. This will be your age when you are purchasing insurance less any previous periods of cover (in this example $50 - 5 = 45$). You will pay the same loading as a 45 year old who is purchasing private health insurance for the first time, i.e. 22%.

Q: I was covered under my parents' policy for my whole childhood but it then lapsed. Will I get credit for this when calculating my Lifetime Community Rating loading?

A: No. Credit does not apply to periods of cover as a child. However, periods of cover on your parent's policy, where you were paying a full adult rate, are counted as credited periods when calculating your Lifetime Community Rating loading.

Q: I am immigrating to Ireland, not having been resident on 1 May 2015. Will I have to pay a Lifetime Community Rating Loading?

A: If you purchase private health insurance within 9 months of becoming resident in Ireland you will not have to pay a Lifetime Community Rating loading on your premium. If you are 35 or older and you do not purchase private health insurance within 9 months of moving to Ireland, a loading of 2% of the gross premium for every year over the age of 34 that you have attained will be applied to your premium.

Q: What about people who have emigrated, will they have to pay the loading when they return?

A: Anybody who lived outside of the State on 1 May 2015 and moves to live in Ireland will have 9 months to purchase inpatient private health insurance avoiding the loading under Lifetime Community Rating.

Anybody who lived within the State on 1 May 2015 and subsequently moved to live outside Ireland on or after 1 November 2018 will receive a credit for their time living outside Ireland, provided they purchase inpatient private health insurance within 9 months of returning to Ireland.

This credit is only given to periods of 6 months or more that begin on or after 1 November 2018.

Q: How do I prove that I was not resident in Ireland on 1 May 2015 and moved to Ireland in the last 9 months?

A: The onus is on you to prove these facts to the insurer. This can be done for instance by providing copies of bank statements opened while abroad, evidence of accommodation lease arrangements or utility bills paid while abroad. Travel documentation or application for a PPS number would be accepted as proof of taking up residency in Ireland.

Q: I had to give up my insurance because I couldn't afford it any more after I lost my job. Is there any allowance made?

A: The Regulations include an allowance of up to three years for persons who held insurance but then had to give up their insurance as a result of redundancy for a period occurring after 1 January 2008. The persons must have been in receipt of Social Welfare during the period directly after being made redundant and giving up their health insurance, and they must be unemployed for a period of not less than 6 months. Effectively, such periods will be treated as if you did have insurance cover when calculating any premium loading.

Q: I had insurance on 1 May 2015 but later allowed my insurance to lapse for more than 13 weeks. Will a loading apply when I take out insurance again?

A: Yes, a loading will be applied to your premium of 2% of the gross premium for every year over 34 that you have attained if you allow your insurance to lapse for more than 13 weeks. Your previous periods of cover will be taken into account in calculating the loading that will apply to you. Credit may also be applied for lapses once certain criteria have been satisfied (see below).

Q: Are credited periods given if I give up my insurance for other reasons?

A: Persons who have cancelled their insurance for 6 months or more, having previously been insured for at least 3 years, will be credited for any periods of non-cover which begin on or after 1 February 2019. The period of 3 years cover does not need to be consecutive. The credited period is limited to 3 years and is available regardless of why the insured person cancelled their insurance.

Q: What rules apply to former members of the Permanent Defence Forces?

A: Credit is being given for members of the Permanent Defence Forces provided the person becomes an insured person on, or after, 1 September 2018 and within 9 months of ending their membership.

Q: What rules apply to former members of the Joint Sickness Insurance Scheme of the European Union?

A: Credit is being given for members of the Joint Sickness Insurance Scheme of the European Union provided the person becomes an insured person on, or after, 1 September 2018 and within 9 months of ending their membership.

Q: What is the maximum loading that can apply?

A: The maximum loading that can apply is 70% of the gross premium in the event of a person aged 69 or older purchasing inpatient private health insurance for the first time.

Q: Will all health insurers apply the loadings?

A: All insurers have to apply the loadings to their inpatient private health insurance plans.

Q: What happens if I switch insurer?

A: Switching insurers does not affect your loading. Any loadings will continue to apply and insurers will supply each other with proof of an individual's previous cover.

Useful Addresses

Name	Address
Health Insurance Authority	Canal House, Canal Road, Dublin 6, D06 FC93.
Irish Life Health	P.O. Box 764, Togher, Co. Cork.
Laya Healthcare	Eastgate Business Park, Little Island, Co. Cork, T45 E181.
Vhi Healthcare	IDA Business Park, Purcellsinch, Dublin Road, Kilkenny, R95 WKK6.
HSF Health Plan	HSF Health Plan, 5 Westgate Business Park, Kilrush Road, Ennis, Co. Clare.
Competition and Consumer Protection Commission	Bloom House, Railway Street, Dublin 1, D01 C576.
Financial Services and Pensions Ombudsman	Lincoln House, Lincoln Place, Dublin 2, D02 VH29.
Citizens Information Board	Ground Floor, George's Quay House, 43 Townsend Street, Dublin 2, D02 VK65.

Telephone	Email	Internet
1850 929 166 +353 (0)1 406 0080	info@hia.ie	www.hia.ie www.healthinsurancecomparison.ie
1890 717 717 +353 (0)21 243 4305	heretohelp@ irishlifehealth.ie	www.irishlifehealth.ie
1890 700 890 +353 (0)21 202 2991	info@layahealthcare.ie	www.layahealthcare.ie
1890 444 444 +353 (0)56 444 4444	info@vhi.ie	www.vhi.ie
1890 451 451 +353 (0)65 686 2500	claims@hsf.ie	www.hsf.ie
1890 432 432 +353 (0)1 402 5500	Online query form	www.consumerhelp.ie
1890 882 090 +353 (0)1 662 0899	info@fspoi.ie	www.fspoi.ie
1890 777 121 0761 074 000	information@ citizensinformation.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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