

Health Insurance Explained





An tÚdarás Árachas Sláinte
The Health Insurance Authority

Who we are

The Health Insurance Authority is the State body that regulates the private health insurance market in Ireland. We provide free, impartial information about health insurance.

Visit our website for information about health insurance and to compare health insurance policies using our free comparison tool.

www.hia.ie

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Buying and renewing health insurance

There are two types of private health insurance in Ireland – inpatient private health insurance and health insurance cash plans.

Inpatient private health insurance is insurance that helps cover all or part of your medical costs. Any person who is ordinarily resident in the Republic of Ireland can buy health insurance regardless of age, gender, health status or medical history.

The main benefits of private health insurance include:

- Cover for semi-private or private rooms in hospital;
- Cover for inpatient consultant services as a private patient;
- Other cover including maternity, overseas, psychiatric, and outpatient benefits.

Health insurance cash plans provide fixed amounts of money for a range of medical events. Unlike inpatient health insurance policies, they don't provide cover for a hospital stay as a private patient. You may be able to claim back a fixed amount for a hospital stay, but this amount is not linked to the cost of your hospital stay. For example, you may be able to claim €50 for every night spent in hospital.

Some cash plans provide money back for outpatient expenses such as GP visits or physiotherapy.

Can anyone buy health insurance?

Yes. Any person who is ordinarily resident in the Republic of Ireland can buy health insurance regardless of age, gender, health status or medical history. You can buy any plan available on the market.

Note, however, that you may have to serve waiting periods when you first buy health insurance. For more information about waiting periods, go to page 9.

Can an insurer refuse to sell me health insurance or refuse to renew my policy because of a medical condition?

No. However, you may have to serve waiting periods when you first buy health insurance or when you move to a plan with higher benefits. For more information about waiting periods, go to page 9.

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You may have to serve waiting periods when you first buy health insurance or when you move to a plan with higher benefits.



I have a medical card. Can I also have private health insurance?

Yes. You can have a medical card and private health insurance at the same time. If you get a referral from your GP, you will need to decide whether you want to be treated as a public patient or a private patient. Similarly, if you are admitted to hospital, you will need to tell the hospital whether you want to be admitted as a public patient or a private patient.

When can I cancel or switch my policy?

In general, health insurance policies are 12-month contracts. All insurers must provide a 14-day cooling-off period from the renewal date. During these 14 days, you can switch insurers or policy or cancel and get a full refund. If you switch insurers or cancel your policy mid-contract, you might be charged a cancellation fee.

I have a pre-existing condition. Can I switch insurers?

Yes. If you have completed your new customer waiting periods, you will be covered immediately for any pre-existing conditions. New customer waiting periods apply to all insurers, so if you start your waiting period with one insurer and then switch, you will have to finish your waiting period with your new insurer.

However, if you move to a plan with higher benefits, you may have to serve upgrade waiting periods. For more information about waiting periods, go to page 9.



If you move to a plan with higher benefits, you may have to serve upgrade waiting periods.

What happens if I break my cover?

If you have a break in health insurance cover of more than 13 weeks, you may have to serve new customer waiting periods again. If you are aged 35 or older, a Lifetime Community Rating loading may also be added to the cost of your policy. For more information about Lifetime Community Rating, go to page 11.

How do I make a complaint about my health insurer?

If you have a complaint about your insurer or your health insurance policy, you should first speak directly to your insurer. If your complaint isn't resolved after speaking to your insurer, you should contact the relevant regulator.

- If your complaint is about minimum benefits, Lifetime Community Rating or waiting periods, contact us.
- If your complaint is about claim disputes, procedure cover or refusal for pre-existing conditions, contact the Financial Service and Pensions Ombudsman (FSPO). The decision of the FSPO is binding on all parties unless the decision is appealed to the High Court.
- If your complaint is about service standards, non-contact from insurers or transparency, contact the Competition and Consumer Protection Commission or the Central Bank of Ireland.
- If your complaint is about data protection, contact the Data Protection Commissioner.

If you are not sure which regulator your complaint falls under, contact us and we will try to advise you.



Prices, tax relief and discounts

Will my age affect the cost of my policy?

Generally, no. The health insurance system in Ireland adopts what is called Lifetime Community Rating. This means that everyone who buys a particular health insurance policy pays the same amount regardless of age, gender, health status or medical history. However, there are some exceptions.

- If you buy health insurance for the first time when you are aged 35 or over, or if you have a break in health insurance cover of longer than 13 weeks while you are aged 35 or over, you may have to pay an additional Lifetime Community Rating loading on top of the cost of your policy. For more information about Lifetime Community Rating, go to page 11.
- The cost of a policy for children must be no more than 50% of the adult premium.
- People aged 18-25 can get a reduced cost “young adult” policy.
- Other people who can get reductions include:
 - Pensioners who are members of restricted membership insurers;
 - Members of group or corporate schemes.

Can I claim tax relief on my health insurance?

If you pay your insurer directly for your health insurance, medical insurance tax relief is available at source and is applied by the insurer to reduce the gross cost of your policy. This means that the tax relief is automatically given as a discount on the cost of your policy. You don't need to claim the tax relief from Revenue.

If your employer pays for your health insurance as a benefit-in-kind, you will be taxed on the gross value of your policy. This means you will need to claim medical insurance tax relief from Revenue. For more information, go to www.revenue.ie.



Can I claim tax relief on my medical costs that aren't covered by my health insurance?

Yes. If you have health insurance, you can claim tax relief on the portion of your medical costs not covered by your insurer. For example, if you paid €60 for a GP visit and you already got €20 from your health insurance, you can claim tax relief on the remaining €40. You must keep copies of your receipts to claim this tax relief. For more information, go to www.revenue.ie.



If you have health insurance, you can claim tax relief on the portion of your medical costs not covered by your insurer.



Waiting periods

I am buying health insurance for the first time. Will I have to serve waiting periods?

You may have to serve waiting periods if:

- You take out health insurance **for the first time**;
- It has been more than 13 weeks since you last held private health insurance.

The maximum waiting periods for new customers are:



Once you serve these waiting periods you will not have to serve them again if you switch to another insurer as long as you don't have a break in cover of more than 13 weeks. If you switch insurers while you are serving new customer waiting periods, the amount of time you have served with the first insurer will be taken into account and you will finish off your waiting periods with the new insurer.

Babies born to policy holders don't serve waiting periods if added within the first 13 weeks of their birth date.

I am switching insurer or plan. Will I have to serve waiting periods?

You may have to serve waiting periods if:

- You haven't completed your new customer waiting period;
- You move to a plan with higher benefits.

If you are upgrading to a policy with higher cover, the following maximum waiting periods may be applied to any higher benefit on the new policy:

Any higher benefit	Maternity benefits
2 years	52 weeks

The insurers don't always apply the maximum upgrade waiting periods. Contact your insurer directly to find out what waiting periods apply to you.

Lifetime Community Rating

Lifetime Community Rating is a system where the older you are when you first buy health insurance, the more expensive it will be. This applies only to people from age 35 and above who are buying health insurance for the first time.

Lifetime Community Rating loadings were introduced in 2015 to encourage people to join the health insurance market at a younger age.

- If you are aged 35 or above but you **already** have health insurance, the cost of your health insurance will not change based on your age.
- If you are aged 35 or above when you **first** buy health insurance, you will usually have to pay a 2% loading for each year above the age of 34 that you didn't have health insurance.

Example

John is 45 years old and is buying health insurance for the first time. He spent 11 years without health insurance when he was an adult, so his Lifetime Community Rating loading is 22% (11 x 2%). His policy costs €1000 after tax relief.

Gross cost of the policy	€1000 + €200 tax = €1200
22% loading	22% of €1200 = €264
Gross cost including the loading	€1464
Amount that John must pay for his policy	€1264 (€1464 minus €200 tax relief)

You won't have to pay a Lifetime Community Rating loading for the rest of your life. The loading applies for a maximum of 10 years.

Frequently asked questions

I previously had health insurance. Will this reduce my Lifetime Community Rating loading?

Yes. Your previous periods of cover will be taken into account when the insurer is calculating your Lifetime Community Rating loading. For example, if you are 40 years old and you don't currently have health insurance, but you had health insurance for five years when you were aged 25 to 30, five years will be taken off your Lifetime Community Rating loading.



Your previous periods of cover will be taken into account when the insurer is calculating your Lifetime Community Rating loading.

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

No. You will have to pay the loading for a maximum of 10 years.

What is the maximum loading?

The maximum loading is 70%. This applies to people aged 69 or above buying health insurance for the first time.

I was covered under my parent's health insurance policy as a child. Will this reduce my Lifetime Community Rating loading?

No. You won't get credit for any cover that you had as a child.

I had to cancel my health insurance because I lost my job. Will I have to pay a Lifetime Community Rating loading for the years when I couldn't afford health insurance?

You can get a credit of up to three years if you had health insurance but you had to cancel it because you were made redundant. To receive this credit, you must have been:

1. Receiving social welfare payments or been financially dependent on someone who was receiving social welfare payments in the period right after you were made redundant;
2. Unemployed for at least six months.



I used to have cover, but I cancelled my health insurance. Will I have to pay a Lifetime Community Rating loading?

If you previously had cover for three years or more but you cancel your insurance, you will be given credit for any periods without cover that began on or after 1 February 2019. The minimum period of cover that you can get credit for is six months. The maximum credit that you can receive is for one or more periods of six months or more adding up to a maximum of three years.

The three years don't need to be made up of consecutive six-month periods, but when all periods are added together they must not exceed three years of being uninsured. The reason why you cancelled your insurance doesn't matter under this provision.

Can I break my cover for a short period without affecting my Lifetime Community Rating loading?

Yes, you can have a break in cover of up to 13 weeks without affecting your Lifetime Community Rating loading.

Will all insurers apply the Lifetime Community Rating loading?

Yes, all insurers will apply the Lifetime Community Rating loading to their inpatient health insurance plans.

What happens if I switch insurer?

Switching insurer does not affect your Lifetime Community Rating loading. If you are paying a Lifetime Community Rating loading with one insurer and then you switch, you will continue to pay the Lifetime Community Rating loading with your new insurer.

Are cash plans included in the Lifetime Community Rating?

No. Only inpatient health insurance plans are included in the Lifetime Community Rating. Cash plans won't reduce your Lifetime Community Rating loading at all. This means that even if you had a cash plan and you switch to an inpatient health insurance plan, you will still have to pay a Lifetime Community Rating loading if you buy inpatient private health insurance for the first time when you are aged 35 or above.

You won't have to pay a Lifetime Community Rating loading if you buy a cash plan. For example, if you buy a cash plan when you are aged 75, you pay the same amount as someone who is 25.

Visit our website for information about health insurance and to compare health insurance policies using our free comparison tool.

www.hia.ie



Useful contacts

Name	Phone	Online
Health Insurance Authority	(01) 406 0080	www.hia.ie info@hia.ie
Irish Life Health	(01) 562 5100	www.irishlifehealth.ie heretohelp@irishlifehealth.ie
Laya Healthcare	(021) 202 2000	www.layahealthcare.ie Online contact form
Vhi Healthcare	(056) 444 4444	www.vhi.ie info@vhi.ie
HSF Health Plan	0818 473 473	www.hsf.ie customer@hsf.ie
Competition and Consumer Protection Commission	(01) 402 5555	www.ccpc.ie ask@ccpc.ie
Financial Services and Pensions Ombudsman	(01) 567 7000	www.fsfo.ie info@fsfo.ie
Citizens Information Board	0818 07 4000	www.citizensinformationboard.ie info@ciboard.ie eolas@ciboard.ie

This booklet is a general guide only. It is not a legal textbook or a summary of all matters that could be relevant to your individual circumstances.

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