

An Bille Árachais Sláinte (Leasú), 2026
Health Insurance (Amendment) Bill 2026

Meabhrán Mínitheach agus Airgeadais
Explanatory and Financial Memorandum

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HEALTH INSURANCE (AMENDMENT) BILL 2026

EXPLANATORY AND FINANCIAL MEMORANDUM

Ireland has a community-rated voluntary private health insurance market, meaning each person pays the same price for the same health insurance policy. The Risk Equalisation Scheme is the mechanism designed to support the objective of a community-rated health insurance market.

The Risk Equalisation Scheme has been provided for under the Health Insurance Acts since 1 January 2013. Under the Scheme, insurers receive Risk Equalisation Credits to compensate for the additional cost of insuring older and less healthy members. The credits are funded by stamp duty levies.

The stamp duty levies are collected from insurers for every health insurance contract issued and transferred to a Risk Equalisation Fund administered by the Health Insurance Authority.

The rates of credits and levies are based on recommendations from the Health Insurance Authority following an evaluation and analysis of health insurance market data.

The Risk Equalisation Credits and stamp duty rates are updated on an annual basis to ensure they align with the estimates of the insured population and the type, number and cost of claims that that will be made on their health insurance plans. As contracts are renewed on an annual basis, the stamp duty levied on the contract should be utilised for the benefit of the insured population during the timeframe of their contracts.

Legislation is required each year to revise the applicable risk equalisation credits and the corresponding stamp duty levies necessary to fund them.

Financial Implications of the Bill

The Risk Equalisation Scheme is designed to be Exchequer neutral, with the amount of the stamp duty levy calculated to offset the costs associated with the provision of the risk equalisation credits (age-related health credits, high-cost claims credits and hospital utilisation credits). If a surplus arises under the Scheme, it will be taken into account when recommending revised risk equalisation credits and corresponding stamp duty levies.

Objects of the Bill

The purpose of this Bill is to specify the risk equalisation credits to be paid from the Risk Equalisation Fund from 1 April 2027; and to make consequential amendments to the Stamp Duties Consolidation Act 1999 to revise the stamp duty levies required to fund the risk equalisation credits.

Section 1 defines the Principal Act as the Health Insurance Act 1994.

Section 2 amends section 6B(4) of the Principal Act by substituting "31 March 2032" for "31 March 2027" in paragraph (a) of the definition of "relevant date", thereby extending the operation of the Risk Equalisation Scheme for a further five year period.

Section 3 amends section 11C of the Principal Act to provide for 1 April 2027 as the effective date for revised credits payable from the Risk Equalisation Fund.

Section 4 amends Schedule 4 to the Principal Act by the substitution of Table 2 which revises the applicable (Age Related) credits payable from the Risk Equalisation Fund. The amount of credit depends on the person's age, sex and whether they have advanced or non-advanced cover. The amounts are applicable on or after 1 April 2027.

Section 5 amends section 125A of the Stamp Duties Consolidation Act 1999 to specify the applicable stamp duty rates for (i) 1 January 2027 to 31 March 2027 and (ii) 1 April 2027 onwards.

Section 6 provides for the short title, commencement, collective citation and construction of the Bill. Sections 2, 3 and 4 are subject to a commencement order as the extension of the Scheme is subject to European Commission approval.

An Roinn Sláinte,

Samhain, 2026.