

**Sarah Cremin**

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**From:** Michael Curtin <michael.curtin@insuranceireland.eu>  
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**To:** Aileen Fallon  
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Hi Aileen,

I hope you are well. Please find attached a brief submission from Insurance Ireland on the topic of the role of private hospitals in the Covid-19 emergency.

Have a great weekend.

Kind regards,

Michael

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**Insurance Ireland Submission to the Oireachtas Special Committee on Covid-19 on the role of Private Hospitals in the Covid-19 Emergency**

**29<sup>th</sup> May 2020**

Insurance Ireland welcomes the opportunity to make this submission on behalf of the three Private Health Insurers operating in the Private Health Insurance market. Insurance Ireland is the voice of Insurance in Ireland and represents the Irish private health insurance, general insurance, life assurance, reinsurance, and captive management sectors. Insurance Ireland represents 140 companies providing insurance domestically in Ireland and internationally from Ireland. Total industry employment is approximately 28,000 people both directly and indirectly with one in four jobs in financial services being in insurance. Our members pay out more than €13 billion in claims and benefits to Irish customers annually and contribute over €1.6 billion in tax to the Irish exchequer each year. The Private Health Insurance sector pays over €2 billion annually for healthcare treatment for its customers.

The Covid-19 pandemic has put healthcare systems around the world to a severe test in terms of available capacity. As part of the national effort to address this public health crisis, the private hospital network entered into an initial three-month agreement to provide capacity to the public health system so that there was extra hospital capacity available during this crisis to respond to any Covid-19 related demand.

The Private Health Insurers recognise the exceptional and unprecedented circumstances in which the State took temporary control of the private hospital network and Insurance Ireland welcomed and fully supported this partnership as part of a coordinated national response to the Covid-19 pandemic and believe it was the right decision for the country at this time. Private Health Insurers were not involved in the negotiation of this agreement between the private hospitals and the HSE and therefore it would be outside our remit to comment on the cost of the contract, the use of capacity in private hospitals, the review of the contract or any decision on its extension or the treatment of public patients in private hospitals.

The agreement was for an initial three-month period from the 30<sup>th</sup> March with an option to extend for a further month or by agreement a further two months. At the end of this month the Government have to decide if it will renew the agreement, for what duration or if it will change the nature of the agreement, or if it will end the agreement at the end of June, when three month period expires. Insurance Ireland would welcome early notification and clarity on this agreement, so all patients know what is planned and what it means for them in terms of care pathways. This is in the best interests of all and represents best practice.

There are 2.2 million people with private health insurance representing 46% of the population in Ireland who currently have restricted access to the private hospital network. While we recognise the unprecedented nature of the healthcare crisis that faced the country,

we are mindful that many treatments and procedures were postponed for the duration of the agreement and we are concerned for the ongoing care of patients, our customers, and are anxious that we use the capacity that is there effectively across the whole system to treat as many people as possible while also protecting lives through the centralised Covid response.

The Private Health Insurers have worked with the Department of Health, the Health Insurance Authority and the Central Bank of Ireland through the Health Insurance Consultative Forum and put in place premium rebates/waivers and benefit payments, along with forbearance measures for customers for the duration of the agreement between the Private Hospitals Association and the HSE. The Private Health Insurers individually assessed the impact of this initial three-month agreement on their business. They recognised that it changed the nature of the services that the private healthcare system could provide to their customers and that claims costs would likely fall as procedures were postponed. In response to this set of circumstances, each insurer came up with a range of solutions for their customers, abiding by an agreed set of principles for the Private Health Insurance sector and communicated a range of financial supports for their customers during the period. These were well received, and the private health insurance sector moved as quickly as it could to address these issues and provide certainty for its customers.

Each insurer has also enhanced their offerings to customers and are providing greater access to essential healthcare benefits & services remotely where they need them. All insurers have extended their online health offerings, offering direct access to clinical experts online including GP's, Clinical Psychologists, Physiotherapists, Dieticians, and Practice Nurses, Physical Therapists, Occupational Therapists, Speech & Language Therapists and EAP consultations. In addition, all are offering treatment for minor illnesses and injuries during Covid-19.

It should be noted for the duration of the agreement that Private Health Insurers are continuing to pay claims for their customers that fall outside the private hospital agreement with the HSE. This includes the provision of cover for private care in public hospitals, psychiatric care both inpatient and outpatient, maternity care and addiction treatment and a range of other services and benefits. For the hospitals that are included in the agreement, Private Health Insurers will cover the public hospital charge for in-patient services of €80 per day up to a maximum of 10 days.

Insurers are aware of the very significant economic impact of this public health crisis and that as a result, many are under financial pressure. Each insurer has introduced specific customer supports for those who are facing financial difficulties as a direct result of Covid-19 and insurers continue to deal with these cases fairly, flexibly and on a case by case basis to support to their customers while ensuring that customer value is maintained, and they continue to be in a position to pay the claims of 2.2 million health insurance customers into the future.

We acknowledge the work of the Committee in monitoring the State's response to the Covid-19 pandemic and the important role it plays as the country navigates its way through the current public health crisis.

ENDS