

# A magnificent 7 ways to revive health cover


Even if you renewed on January 1 it's not too late to ask for a better deal

Beat the **SQUEEZE**



MIX IT UP: Not every family member (or cowboy) needs to be on the same plan

**YOUR MONEY**



**BILL TYSON**

that could save you thousands. 'If you're spending more than €1,900 per adult, if you have all the family on the same plan, or if you're not on an up-to-date corporate plan, you should especially review your cover,' he says.

## 1. GIVE YOUR INSURER A CALL

This is the first port of call after reading this article. But be careful how to phrase your questions.

Don't simply ask them to recommend a plan – or they'll just tell you about one that suits them.

Phrase your question carefully to ensure you get the good advice that they are legally bound to give you.

Mr Goode advises: 'Ask what is the closest equivalent plan? Do you have a similar one that's less expensive. Tell me the differences? How much will I save?'

Also explain your health conditions and ask will I miss out on any cover with the new plan? Am I covered for hospitals I attend regularly or are near to me?

'Just tell them everything about your case,' he says.

## 2. WATCH RENEWAL DATE – MAYBE NOT TOO LATE

January 1 is a huge renewal date for health cover. If you're with the VHI

and renewed on January 1, today is the last day for cancelling and switching to a new policy.

'But Irish Life or Laya will allow you to amend your contract any time during the year to a different plan they have,' says Mr Goode.

'You can still phone them up now and ask for a review.'

## 3. OLDER IS NOT WISER

Watch out if you're on an older plan or haven't changed health cover in years... you're probably paying too much.

Some older plans are now looking very jaded when it comes to value – and, yes, we're looking at you HealthPlus Extra! (See the table below.)

'Some old plans that were already pricey have gone up even more,' he says. And because they are already

pricey, the percentage increase is bigger in real terms than better-value plans, widening the gap and making it even more worthwhile to shop around.

'Older schemes like the VHI's HealthPlus Extra or Laya's Essential Plus or Flex schemes need to be reviewed,' he says. Level 2 or the

**H**alf a million people renew their health insurance this month.

And they may be in for a shock when they see their premiums.

Just like everything else, the price of cover has shot up in the past year.

Also like everything else, you'll get fleeced if you DON'T review your cover – and you can save a packet if you DO.

We asked Ireland's top health insurance expert Dermot Goode of Totalhealthcover.ie, a Lockton company, to give us seven timely tips



Business plans with Irish Life Health were also in the firing line. 'These are going to be hit with an increase of maybe about €400 per adult,' Mr Goode advises.

These plans offer decent cover but for two or even three times higher than what you could be paying for similar levels of cover (though check with your insurer that you don't miss any benefits suited for you).

#### 4. PRE-EXISTING ILLNESS DOESN'T STOP YOU FROM SWITCHING YOUR COVER

A lot of people avoid switching over fears about cover for pre-existing conditions.

Mr Goode clears up the confusion. When you move insurer or plan, 'protection enshrined in legislation ensures they can't penalise you for your medical history. They can't refuse to insure you and they can't load your premium based on past claims.

'What I say to those people is that it's absolutely valid to be concerned. But just ask your insurer, "If I switch that plan will I be on cover straight away? Do I get full credit for my, say, 25 years with my previous insurer?" Then tell them what conditions you have, what hospitals you go to, what consultants you're attending, what procedures you may be due to have.'

Once the insurer confirms you are covered they are bound by that commitment. The only issues that may arise is if you upgrade to better cover. The extra benefits you didn't have before might be subject to a two-year waiting period. But you're not losing out.

'People get the impression that if they change to a better plan with a lower premium they won't have any cover for two years completely. It's only the extra bit of cover that won't apply so you're no worse off,' adds Mr Goode. In fact, it's a reason to switch as soon as possible in order to get these benefits.

#### 5. CONSIDER SPLITTING

You don't have to put everyone in

the family on the same plan. Save hundreds by putting children and young adults on cheaper plans and even differentiating between adults depending on age and medical history.

Mr Goode explains: 'One adult may contact the insurer and they may recommend that the whole family goes on the same plan because that means they get off the call quicker.

'But both adults should be on the call and they should both outline their specific requirements and preferences.'

'We've even spread cover across different insurance companies. Somebody may want something that's not available from their current provider but somebody else gives it to them no problem. So they just have two separate plans with two different insurers.'

#### 6. OR TAKING ON AN EXCESS

One way to reduce the cost of cover is to take on a higher excess – the part of a claim you have to pay yourself.

'Younger members are more cost-conscious but they're also healthier so they are willing to take on more risk,' says Mr Goode.

'For 95% of people, taking on a small excess like €150 makes perfect sense. But people need to be careful. There are plans out there with pricey excesses like Laya's Precision 600 Connect [with a €600 excess] or First Care 500 [VHI].' In fairness, the clue is in the name!

'We had a case not too long ago of a young member who needed orthopaedic surgery for a sports injury in a private hospital. It had to be redone and they had to

go back to get pins removed so there were four or five surgeries.

'That person was on one of those plans with an excess of €600 and initially could not afford to pay the bills

[because every time the excess applied].'

#### 7. IS THAT GREAT DEAL NOW JUST A RIP-OFF?

The cheapest plans cover very little apart from public hospitals which you're entitled to receive treatment in anyway.

But they do save younger members from the dreaded age loading, which adds a 2% penalty for every year you're not insured from 35 onwards.

When age-loading came in a few years ago, many younger people rushed to get the cheapest plan possible (for around €500).

But, as is their wont, insurers took advantage of subsequent inertia to shove up the price of the most popular plans back then – to nearly €1,000 in some cases – while bringing in new plans for savvy switchers that cost half as much.

So, if you haven't reviewed your cover since age-loading came in, you could be paying on the double (see table above).



INSURER	PLAN	ANNUAL €
<b>NOT-SO-CHEAP PLANS</b>		
Irish Life Health	Level 2 Hospital Day to Day	€4,540
Laya	Essential Plus No Excess	€4,342
VHI	Health Plus Extra	€3,169

## DERMOT'S HEALTH PLAN GOODIES

INSURER	PLAN	ANNUAL €
<b>CHEAP DEALS</b>		
LAYA	Assure Protect	535
IRISH LIFE	First Cover	503
VHI	PublicPlus Care	500
<b>MID-RANGE PLANS</b>		
LAYA	Signify care	917
IRISH LIFE	My Plan 350	1,008
VHI	EnhancedCare 350	1,024
<b>CHEAP CORPORATE PLANS</b>		
LAYA	Inspire	1,308
IRISH LIFE	Healthguide1	1,344
VHI	PMI 6010	1,288
<b>MID-RANGE CORPORATE PLANS</b>		
LAYA	Simply Health Extra	1,447
IRISH LIFE	Healthguide2	1,420
VHI	PMI 0610	1,514
<b>TOP CORPORATE PLAN*</b>		
LAYA	Principal	1,736
IRISH LIFE	Healthguide3	1,679
VHI	PMI 4810	1,810
<b>SPECIAL MENTION</b>		
LAYA	Simply Connect**	1,597

\* 75% of routine expenses \*\* Full joint and cardiac cover

Recommendations from Totalhealthcover.ie, part of the Lockton Insurance Brokers group.

