

Laya customers hit with a further 7% price increase

Premium hike could add hundreds to annual cost of health cover

LAYA Healthcare has announced its third price hike in the space of 12 months in another blow to struggling families.

The 7% hike, affecting almost 700,000 customers, follows increases in April and October last year, and could add hundreds of euro to the cost of an average family plan.

It follows similar recent increases by VHI and Irish Life, with consumers being warned they are seeing 'some of the highest premium rate increases in ten years'.

Laya managing director Donal Clancy blamed the record-high cost of providing healthcare for the increases.

He said: 'We're seeing the highest volumes of claims in two decades and the highest cost of claims in over 25 years.'

'In particular, activity in private and hi-tech hospitals has accelerated and across the board, and we're seeing record levels of

By **Garreth MacNamee**

demand among our members for healthcare services.'

In a statement, the Health Insurance Authority (HIA) said it had been made aware of Laya's 7% rise across its plans with effect from April 1, 2024.

The HIA, as the State regulator for private health insurance, is notified of price and policy changes in advance of the insurer making any such moves.

The insurers are obliged to give 30 days' notice to the HIA of any such changes.

The HIA said the private health insurance market in Ireland gives discretion to health insurers to set the prices for their policies, and that these prices are ultimately based on the cost of the claims that the insurers receive.

It added: 'If the number of claims or the cost of healthcare increases, prices can also increase. Due to medical inflation and an increase in claims volume since the Covid-19 pandemic, insurers have made

a number of price increases.'

Ray Dolan, CEO of the HIA, said: 'We understand a change in premium can make some consumers evaluate their current policy. We would always encourage consumers to review their policy each year at their renewal date to ensure that their policy fits their health needs and budget.'

He added: 'Consumers can use the free comparison tool on our

'A very difficult decision'

website, www.hia.ie, to find the best policy for them, or call or email us for independent advice and comparisons.'

Laya has followed VHI in raising premiums with the latter also announcing a 7% increase, at the end of January. Speaking about that hike, Dermot Goode of Lockton, parent company to Totalhealthcover.ie, said VHI's



average increase of 7% will affect all members joining or renewing from March 1, 2024.

He said: 'VHI introduced a similar increase across most of their plans from October 1, 2023 and their last increase prior to this was in March 2023. All insurers are blaming these ongoing increases on the rising cost of claims, but it goes without saying that consumers will not be able to absorb these soaring costs.'

He added: 'The message to all consumers including employer schemes is simple: do not accept these increases without engaging with the VHI and the other insurers to find a more affordable option. If in doubt, seek independent advice and let someone else do the research for you.'

Mr Goode also said that 'for those with older family members with VHI, it's essential now that you help them to research the market as these increases will simply be unaffordable'.

In November of last year, health insurer Irish Life announced its

third price hike in 12 months. Its latest increase of 4.8% took effect last month.

Following increases which took effect in July and March last year, most plans have now risen by 10-15% on 2022, costing families anywhere from €150 to €600 extra for cover. Mr Goode said we are 'seeing some of the highest premium rate increases in ten years'.

Irish Life Health managing director Ger Davis said: 'Increasing premiums is a very difficult decision and we remain focused on ensuring we minimise this as much as possible.'

'We are continuing to see significant increases in customers accessing care, with a 25% increase since 2019 in the number of people receiving treatment in private hospitals.'

'While there is some continuing inflationary pressures (staff and utility costs) for hospitals and other care providers, this is thankfully at a lower level than we have previously seen.'

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