



# ‘Don’t expect further cuts,’ consumers told as health insurance price war ends

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THE health insurance price war appears to be coming to an end, bringing the prospect of higher prices.

No new price cuts are expected and one insurer is due to put up its prices in January, insurance expert Dermot Goode said.

Meanwhile, some of the discounts and deals which have been on offer are coming to an end.

Almost 400,000 people are due to renew their cover in the next three months, and Mr Goode warned them to ensure they are not fooled by minor price reductions on some plans.

Last year, VHI kicked off a premium rate tit for tat with a string of premium decreases. This forced rivals Laya and Irish Life Health to respond.

But Irish Life Health has now bucked the trend of cutting prices, in a first signal that the war is coming to an end.

It is due to raise the cost of some of its plans by up to 20pc from the start of next month.

The popular Health Plan 16.1 scheme will increase by €820 for a family of two adults and two children, with more modest increases on other plans.

A large proportion of the Irish Life Health renewals fall before this, which means these people will be unaffected by the price rises.

Mr Goode said those with cover should exploit the recent cuts, but also prepare for an end to the intense price competition.

“We are not expecting any further reductions, so it looks

like we have hit the floor in terms of price cuts,” he said.

“Don’t expect any further reductions.”

He added that some of the special deals currently being offered are coming to an end.

VHI was offering a 50pc reduction on a number of plans for children, but this has been reduced to 25pc.

Irish Life Health’s discounts are due to end from the start of next month, Mr Goode of TotalHealthCover.ie said. He said the year-long price war meant that there is now some good value in the market.

But he warned that some offers would not be repeated, and said that many people were still on old, expensive plans. Some of the dated plans have had premiums cuts, but despite this are still expensive when compared with newer ones on offer.

“Most members may have no increase in their premium year-on-year, which is a first. Some may even see a minor decrease in premium, especially those on the most dated plans. But if your premium is increasing, then it’s definitely time to review your cover,” he said.

Laya said it was cutting costs on seven plans by up to 11pc from the start of next month.

But Mr Goode warned: “Consumers need to be careful to avoid minor reductions on what are already dated and overly expensive plans.”

He said too many people were guilty of auto-renewing their cover over the Christmas period, as they got a small reduction and are too busy to research other plans.

“If you’re on the same plan

for three years or more, if you’re not on an up-to-date corporate plan, if you have all family members on the same plan, or if you’re paying over €1,800 per adult for your cover, then you need to get your cover reviewed properly.”

There are some 340 different health insurance schemes on offer from the three insurers.

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## Corporate plans offer some of the best value – but not all are equal

A NUMBER of new health plans have been launched, but not all the new ones offer good value.

VHI will have five plans from January, and some of the best value is to be had from VHI's corporate plans.

PMI 3613, at €1,242 per adult, covers a semi-private room in a private hospital, while Company Plan Extra, at €1,548, covers a private room in a private hospital.

Laya has price reductions, but its Simply Connect Plus, which costs €1,250 for an adult, and offers semi-private cover, comes

recommended by Dermot Goode of TotalHealthCover. ie. He also recommends Connect Simplicity, which costs €1,330 for an adult and offers private accommodation.

Irish Life has no price increases on its 4D Health 2 plan, which is €1,213 per adult for semi-private cover.

For a private room in a private hospital, Mr Goode recommends 4D Health 3 at €1,409.

Corporate plans are marketed to companies, but must be made available to anyone who asks for one.