



Warning of more health insurance price rises

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CONSUMERS were warned to brace themselves for health insurance price hikes after an end was declared to the price war.

The warning came as Laya Healthcare said it was raising its prices on 82 plans from July.

This will see some families paying €260 more a year for cover.

Next month Irish Life will up its prices, with predictions now that Vhi will be next.

Irish Life will raise prices

by an average of 3.3pc from June, a move that will mean it will cost a family €110 more a year on the Select scheme, and €122 on the 4D Health 2 scheme.

Laya is increasing the price of 82 plans by an average of 2.9pc, in a move that will amount to an average €40 in extra payments a year per adult.

The popular Flex 125 Explore family plan will rise by 6pc, adding €264 to the annual cost for a family of two adults and two children.

The rises buck the trend of price falls for health cover.

However, five Laya plans will see prices fall. Nine plans will not have any price changes.

Laya had two successive price reductions in the past year, but now says it has been forced to reverse course due to a higher volume of claims.

It also blamed what it called a "significant increase in consultant costs".

The second largest health insurer, Laya has around 500,000 members.

Insurance expert Dermot Goode, of TotalHealthCover, ie, said there will be more price rises.

"The price war is definitely

over. We are back to cover cost inflation.

"Consumers need to brace themselves for price rises of 5pc.

"I expect Vhi to follow suit with price rises. It is all down to more claims coming in to all the health insurers."

Laya managing director Dónal Clancy said: "We remain committed to maintaining our position as the best value healthcare insurance provider, but it's becoming more and more challenging to protect our members from premium increases in the face of mounting claims costs."