

Submission by the Health Boards and ERHA Chief Executive Officers' Group to the Health Insurance Authority on the Consultation Paper "Minimum Benefits"

Due to the short time frame available in which to prepare a submission we have not had the opportunity to engage in a wide ranging consultation process with personnel throughout the health boards and ERHA. We would welcome the opportunity to revisit this issue at a further date. Our comments below should therefore be considered as our preliminary view on the consultation paper as issued by the Health Insurance Authority.

Comments on issues relating to the proposed changes

Role of Health Insurance Authority

The HIA clearly should have a responsibility to determine the minimum benefits an insurer can offer and the premia to be charged. The reimbursement levels must be a function of the benefits. The level of service should be the measurement of benefit rather than a monetary value.

Review of Minimum Benefits

Clearly there must be a relationship between the cost of the service and the premium charged. In order to contain increases in premia the insurer will have to negotiate agreements with service providers on various service costs.

The Minister should approve the premia proposed by the insurer. What will be relevant to the patient/client is the level of service and the cost of insurance.

Inflation Linked

Medical inflation is difficult to measure as it includes pay costs, medicine and supplies costs, diagnostic procedure costs and hotel costs in hospitals. Costs will vary between public hospitals, where charges are determined by the Minister of Health & Children and private hospitals, where charges are based on a commercial ethic. Very often decisions by the Minister of Health & Children effect the level of inflation.

It would seem that there is a need to have a standard method to measure medical inflation. It is recommended that the expertise of the Central Statistics Office would be the most appropriate means of doing this. (Perhaps some of the experts in the Universities could assist here).

Annual review of medical inflation would be appropriate since premia are generally set annually.

Scope of Minimum Benefits Regulations

A minimum level of insurance cover must be offered. Any exemption from the minimum level would cause the concept of community rating to be put at risk and this in turn would effect the most vulnerable of our people.

It is recommended that the minimum benefit schedule should include:

- Cost of GP visits
 - Cost of day hospital attendance
 - Cost of all required diagnostic procedures
 - List of drugs up to state refundable amounts
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