



An tÚdarás Árachas Sláinte
The Health Insurance Authority

Strategic Plan

2022-24

Chairperson's Introduction

Since my appointment as Chairperson of the HIA last summer, it has been my honour to lead the development a new strategy with our Board and our CEO, Laura Brien for the period 2022 to 2024. We have spent some time reflecting on our mandate over the autumn and hope that our renewed focus and energy for period ahead is evident in this document.

In particular we recognise:

- An 1.8% increase to circa 2.3B Euro in the Health Insurance market in the last year.
- 46% of the population purchasing Health Insurance annually, underpinning a continuing strong demand for private Healthcare.
- A sense of increased consumer switching is evident whilst the over 65s appear most reluctant to switch despite prior medical history being irrelevant due to the state protection afforded under community rating and no new waiting period applying with any new provider; potentially a misunderstood fact.
- Older people pay more on average for health insurance (a significant 35% more by those over 65years) which again is surprising when community rating applies and those under 65 years are purchasing similar mid-range products.

Our deliverables for this period can be measured in terms of:

- Being trusted by consumers whom we empower to make informed decision about their Health Insurance purchase.
- Putting the consumer needs at the centre of all our regulatory work.
- Adhering to best Regulatory practices & Governance standards
- Developing our digital capacity and in turn our capabilities.

My thanks to the CEO, Laura Brien and the Board who have been most generous in both their welcome and investment in developing this strategy.

Patricia Byron
Chairperson



Chief Executive's Introduction

This strategic plan, for the years 2022-24, takes account of the Authority's role as a regulator, a provider of consumer information, an adviser to the Minister for Health, a custodian of the risk equalisation fund, and as a competent, effective, learning organisation committed to excellent governance standards.

The strategy was developed taking into account the significant impact that COVID 19 has had on the health sector in Ireland. With the takeover of the private hospital capacity by the HSE, and limitations on access to public hospitals, there was a significant reduction in health insurance claims in 2020 and 2021. This pent-up demand may lead, in the view of the insurers, to increased claims in the short term. It could also lead to an increase in demand for health insurance, which would require more options to consumers with regard to accessing treatment.

Affordability of health insurance will continue to be impacted by a number of factors in the coming years. Medical inflation, including advancements in drugs and treatments, the implications and consequences of COVID-19 and a general aging of the population may also lead to upward pressure on health insurance premiums. The Authority is committed to the development of regulations, focused on supporting affordable access to health insurance for those who want it, irrespective of sex, health status or age, facilitated and supported by the risk equalisation scheme.

Approximately 1/3 of private health insurance claims take place in public hospitals. The introduction of Slaintecare, particularly the intention to remove private practice from public hospitals, will have an impact on the private provision of health services, and the health insurance market. Even though the

timing of this change remains uncertain, we will be proactive in identifying the impact of Slaintecare and other market trends on the health insurance market and identify customer focused regulation to drive solutions that benefit health insurance customers.

This strategy is an ambitious one, reflecting a step up in activities in two key areas. The first is consumer engagement and information. We want health insurance customers to be aware of their options in the private health insurance market and to know their rights. We are focused on making it easier for consumers to learn about health insurance plans and make decisions regarding what plan is right for them. This will be based on our research of the market. The second is the importance of the Authority's role in managing the Risk Equalisation Fund, and oversight of other key aspects of health insurance regulation. In order to build and maintain trust in the Authority's role, we will place an increased emphasis on oversight of the health insurers and ensuring that they achieve high levels of compliance with the broad range of their obligations.

This strategy was developed with input from all our key stakeholders across industry, government, consumer representatives and fellow regulators. We thank them for their input and engagement during the process and anticipate working collaboratively with them to deliver on the plan.

Laura Brien
Chief Executive/Registrar

HIA Vision

Our vision is a well-regulated, competitive health insurance market where consumers are empowered to make informed decisions.

HIA Purpose

Our purpose is to regulate the health insurance market in Ireland in the public interest. We do this by analysing the market, designing appropriate regulations, and monitoring the compliance of the insurers with their obligations. We empower consumers to choose the right health insurance product for their needs.



Our Values

Our values are:



Independent -
We take decisions independently and in the public interest. Our actions and decisions are informed by evidence. We are accountable for our actions and decisions and take responsibility for them.



Trusted -
We build trust by being open and transparent in our communications and dealings with the public and the sector we regulate. We provide comprehensive and relevant information on the market.



Effective -
Through effective regulation, we will use our powers to deliver effective enforcement and compliance outcomes and assure public trust in private health insurance.



Empowering -
We will empower consumers to by providing them with the knowledge and tools necessary to help them make informed decisions in relation to private health insurance. We will empower staff to develop their skills and take initiative to deliver in the consumer interest.



Future focused -
We will anticipate changes in health insurance market, technology, and consumer demands, and invest in our infrastructure, people and digital capacity to enhance our capabilities to meet these challenges.

Strategic Priorities

Our Strategic Priorities for 2022 - 2024



Drive consumer focused health insurance regulation

We will use our thought leadership and understanding of the health insurance and related markets to design and implement effective regulation that delivers a competitive market, value for consumers and considers future needs.



Ensure compliance and accountability through regulatory best practice

We will use our powers to ensure effective compliance by insurance companies, through inspections, audits and providing guidance on all aspects of regulatory obligations.



Build Consumer Trust and empower consumers to make informed decisions

We will build trust with consumers that the health insurance market can deliver benefit and value, by providing them with reliable information on prices, rights and obligations and the tools to make considered decisions. We will mitigate the impact of product proliferation by empowering consumers to make informed choices.



Invest in digital capacity to enhance our capabilities

We will invest in our digital infrastructure and expertise to enhance our capabilities with regard to market intelligence, managing compliance and improving the consumer experience.



Develop our people to deliver effective outcomes and high standards of corporate governance

We will identify our workforce needs and invest in our staff to help them deliver a quality service and high standards of corporate governance.





Actions



Priority 1

Drive consumer focused health insurance regulation

Given the pace at which technology, society and health services continue to evolve, there is a distinct need to make sure that health insurance regulation remains appropriate for the way that services are delivered today and evolution in government policy. This includes not only the key components of health insurance policy, but also the role that regulation of the health insurance sector can play in supporting broader government policy goals, including its Environmental, Social and Governance (ESG) Goals. The HIA continuously assesses the market environment and identifies needed changes to regulations so that the Risk Equalisation Scheme remains fit for purpose and delivers on the key policy objectives of community rating, lifetime cover, open enrolment and minimum benefits.

To deliver effective regulation, the HIA will leverage its thought leadership of the health insurance sector, based on its research activities and monitoring of the health insurance market and related sectors in Ireland. Our data on prices, customers, plans, claims paid by health insurers and lengths of stay by patients in hospitals provides excellent insights into the market, to both inform consumers as to what options are available to them, as well as helping the HIA understand how the consumer interacts with the market. This understanding will enable us to identify what regulations need to be adapted to changing market conditions.

A key government policy that the Authority will need to address during this strategic plan is introduction of Slaintecare, particularly the intention to remove private practice from public hospitals. While it varies between insurers, approximately 1/3 of private health insurance claims take place in public hospitals. While the timing of this change remains uncertain, we will be proactive in identifying emerging trends in the market and using regulation to drive solutions that benefit health insurance customers.

The key actions to deliver this strategic objective include:

- Modify the claims management regulations to include high-cost claims pool credits
- Use consumer surveys to gain insights into the health insurance market to inform consumer engagement
- Use our research capabilities to inform regulation and policy recommendations to reflect market developments, including the state of competition in the health insurance market, with a particular emphasis on addressing the negative impacts of product proliferation
- Identify changes in the Health Insurance Acts necessary to keep HIA powers and functions up to date
- Coordinate with fellow regulators in the health insurance sector to deliver better outcomes for consumers

! Outcome

Health insurance regulation supports a well-functioning health insurance market that enables the key policy objectives of community rating, open enrollment, lifetime access and minimum benefits



Priority 2

Ensure compliance and accountability through best regulatory practice

Public and industry trust in the HIA role is a key priority for the organisation. One of the key ways that the HIA generates public trust is by ensuring that the insurers comply with their obligations under the Health Insurance Act. This includes managing the Risk Equalisation Scheme, processing payments under the Risk Equalisation Fund as well as compliance with other aspects of the health insurance legislation. The HIA's compliance activities also include assessment of whether or not the RES leads to overcompensation of the net beneficiary.

The HIA intends to carry out proactive surveillance and monitoring of insurers claims to the Risk Equalisation Fund, with clear prioritisation so that we can intervene more quickly and decisively if issues are identified. Compliance is best achieved when stakeholders are clear in their understanding of how the law is enforced. The HIA will be transparent around its finding from inspections, to increase public trust in its role. It will also focus on providing guidance to the health insurers to facilitate high levels of proactive compliance and consistency of approach.

The key actions to deliver this strategic objective include:

- Act as trusted administrator of the Risk Equalisation Fund and assess whether overcompensation has occurred
- Develop and implement a compliance monitoring framework, including investigation processes, to cover all aspects of health insurance legislation
- Drive compliance and enforcement priorities based on HIA market monitoring and research
- Deliver enhanced inspections and audits consistent with compliance monitoring framework
- Develop trust in HIA functions by publishing inspections, enforcements and compliance outcomes
- Publish industry guidance to support increased compliance and consistent market practices

! Outcome

Proactive monitoring and enforcement by the HIA delivers high levels of compliance and accountability by the insurers.

Insurers have sufficient information, understanding and engagement to know and understand their obligations.



Priority 3

Build Consumer Trust and empower consumers to make informed decisions

Purchasing health insurance can be a complex matter, given the large numbers of products available and the complexities of different options. To be confident that they are getting the right product at the right price, customers need both to know what products are available and a straightforward way to compare them.

The Authority is mandated by its legislation to inform members of the public of their rights as consumers of health insurance and of health insurance services available to them. Providing free to use, comprehensive, accurate and useful information to the public is an important way for the Authority to deliver benefits to customers.

The Authority will use its knowledge and understanding of the health insurance market to identify how consumers interact with the market, what barriers exist to comparing products and switching providers. Feedback from ESRI research shows that there were significant levels of customer confusion regarding health insurance products, what different benefits mean and how to compare between different health insurance products.

Research carried out by the HIA shows that while the role that the HIA plays in this area is appreciated and valued by consumers, there are opportunities for the HIA to do more. Enhancing its profile with a broader group of stakeholders will be achieved through a range of media engagement strategies, as well as direct engagement with consumers and stakeholder groups.

Key actions to deliver on this strategic priority include:

- Develop a stakeholder engagement strategy that builds awareness of and trust in the HIA regarding our role, our knowledge and our consumer tools
- Build awareness and knowledge of consumers about their options, rights, obligations and risks they face when selecting health insurance products, with a specific emphasis on LCR and over 65s
- Utilise market research and behavioural economics to understand how customers interact with the health insurance market and develop an improved health insurance product comparison tool that reduces the complexities of product proliferation

! Outcome

Consumers have access to trustworthy information to help them make confident decisions and understand the health insurance market and products



Priority 4

Invest in digital capacity to enhance our capabilities

In common with all public sector organisations, the HIA must continuously strive for improvement and to innovate. We must also work in a focused fashion to make the most effective use of our resources, people, and time. Enhancing our digital and data capacity will be a key component to increase the effectiveness of our resources.

The focus will be on two key areas. The first is augmenting our data management capabilities to better leverage our market data to understand what is happening in the market and develop better regulations. With the complexity of claims increasing, we will also need to place greater reliance on data management skills to analyse claims, including high-cost claims, and identify areas for further investigations and audits and improve the process for receiving key data inputs from industry stakeholders.

The second is to respond to a range of environmental factors. With the move to remote working since March 2020, and the planned introduction of enduring blended working arrangements, the Authority needs an ICT and data infrastructure that supports both home and in office working in a secure manner. Following the recent HSE cyber-attacks, the Authority recognises the importance of augmenting our processes and procedures around IT security.

Key actions to deliver this strategic objective are:

- Develop and implement an ICT and data strategy, focusing on enhancement of cybersecurity, remote working capabilities, knowledge management tools and website usability
- Enhance HIA’s capacity to analyse market intelligence to inform our research and policy recommendations
- Increase the robustness of our Risk Equalisation Fund claims management process, including the high-cost claims pool

! Outcome

The HIA has the ICT and data capacity to effectively manage the complexities of the Risk Equalisation Fund, implement the High-Cost Claims Pool and analyse the health insurance market



Priority 5

Develop our people to deliver effective outcomes and high standards of corporate governance

The Authority recognises that our staff are our most critical asset. Our operational success relies upon the HIA being able to continue to attract and retain high performing and collaborative people whom we can equip with the right skills, tools and knowledge to deliver our mandate. Following on from our previous Corporate Strategy, we will continue to focus on building our capability and performance as a regulator so that we continue to develop and foster our thought leadership.

We will drive greater efficiencies through improved processes, better technology and enhanced procedures. At the same time, the delivery of the ambitious goals within this Strategic Plan will also require a review of the organization structure and likely additional human resources. A robust workforce planning process will be undertaken to identify and deliver the necessary staff resources. The Authority will engage with the Government regarding the expanding resources necessary to ensure the operational effectiveness of the Authority, now and into the future.

An important priority in the coming years will be supporting our staff through the next phase of adapting to the new working environment, including blended working. This needs to be done in the context of changing working practices and helping our people to manage their well-being, facilitate flexible work practices and provide ongoing learning and development.

Key actions to deliver this strategic objective include:

- Develop a workforce plan that assesses the HIA's strategic objectives and identifies staffing requirements, outsourcing needs and capabilities to manage these
- Develop best workplace practices to meet the changing needs of our workforce, including flexible working arrangements, consistent with public service targets
- Implement performance management and skills development strategies
- Apply high standards of governance in HIA operations and actively manage risks faced by the Authority
- Learn from international practice in effectively regulating the health insurance sector
- Promote Sustainable Development Goals in our work in line with Department of Health priorities

! Outcome

The HIA is a well governed organisation with the knowledge, expertise and organisational resources to effectively and efficiently deliver on our functions



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