



# Private health insurance in Ireland

How PHI supports access, innovation and sustainable healthcare within a changing system

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October 2025

# Foreword by Insurance Ireland

Almost half of the Irish population have chosen to take out health insurance policies and value the important role health insurance plays in meeting their healthcare needs. Over €3.0 billion in claim payments were made through health insurance in 2024, covering well over 1 million claimants across the whole spectrum of healthcare delivery. This represents a material portion of overall healthcare needs in Ireland. The top five categories of claims alone—orthopaedic, cancer, digestive, cardiac and genitourinary—covered more than 800,000 claimants and more than €1.7 billion in claims.

The volume of healthcare delivered through the private system is not only hugely beneficial to private health insurance (PHI) members, but also to the population more widely. In the absence of PHI, the demand for health services delivered through the private system would instead need to be met through the public system. This would place further pressure on the sustainability of the public system, increasing waiting times and undermining capacity.

The introduction of Sláintecare brings material change, not just for the public system, but for the wider health system as a whole. The implications for PHI are significant. Without a clear vision and strategy for the PHI market in the context of Sláintecare, there is a severe risk that the ability of the private system to continue to meet the healthcare needs of its customers will be materially undermined, with potentially unintended consequences, not just for those relying directly on PHI to help meet their healthcare needs, but on the wider health system too in terms of increased exchequer spend.

Insurance Ireland recognises that the insurance industry has a role and responsibility in helping develop a vision for the PHI market in the context of Sláintecare, but recognises too that government, the Health Service Executive (HSE) and the Health Insurance Authority (HIA) must also be central to this important task. The engagement of these key stakeholders with industry is critical to establishing a clear vision for the role of PHI in the context of Sláintecare.

The report also highlights the challenges of affordability and sustainability in the market. Increasing demand along with rising healthcare costs and an ageing population continue to put increased pressure on PHI premiums, challenging affordability in the market. An affordable market, particularly for younger, healthier members, is critical to ensuring the ongoing sustainability of the market. Insurance Ireland recognises the key responsibility that insurers have to manage costs and support a sustainable market, but also recognises the role played by the regulatory and legislative environment in this regard. Insurance Ireland calls on government to engage with industry to identify and implement measures that can continue to support a sustainable health insurance market.

Moyagh Murdock, Chief Executive Officer, Insurance Ireland

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Kevin Manning, Milliman, FSAI  
Sinéad Clarke, Milliman FSAI



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# 1 Executive summary

## 1.1 CONTEXT & TERMS OF REFERENCE

Insurance Ireland commissioned Milliman to produce a report on the Irish private health insurance (PHI) market assessing the value that PHI brings to Irish society, health insurance members and patients, the overall healthcare system and the Irish economy. In preparing the report, Milliman interviewed senior representatives from each of the private health insurers in Ireland.

The report highlights areas for policy focus identified by the health insurers that would help support the continued contribution that the PHI market provides to the overall healthcare system in Ireland. Key areas identified include a shared vision for the role of PHI in the context of Sláintecare, greater collaboration between the private and public healthcare systems and policy initiatives that would support the sustainability of the PHI market.

## 1.2 OVERVIEW OF THE MARKET

The Irish health insurance market is a well-established sector, serving over 2.5 million people—approximately 46% of the population—providing healthcare benefits to the value of approximately €3.0 billion annually.<sup>1</sup> There are currently four companies offering PHI in the Irish market: Vhi Healthcare (Vhi), Laya Healthcare (Laya), Irish Life Health (ILH) and Level Health (collectively referred to as “the health insurers” or “the insurers” throughout).<sup>2</sup>

Community rating is a cornerstone of the PHI landscape in Ireland, which in simplified terms means that everyone must be charged the same premium for a defined product, regardless of a member’s age or health status. This means that, unlike most other forms of insurance, PHI in Ireland operates based on a stated aim of intergenerational solidarity between young and old and between those who are healthy and those who are less healthy.

## 1.3 CURRENT ROLE OF THE IRISH PHI MARKET

### A widespread financial service

Almost half of the Irish population holds PHI, indicating that it is a valued and important financial service for a significant portion of the population. A consumer survey<sup>3</sup> carried out by the Health Insurance Authority (HIA) in 2023 highlighted that the majority of members<sup>4</sup> viewed it as a necessity rather than a luxury, with 34% of respondents saying that they would never give up their PHI. Access to treatments in the public system, waiting times and cost of medical treatment were cited as key drivers for having PHI.

### An enabler to Sláintecare

Our conversations with the insurers highlighted that PHI plays an important societal role as a critical element of the Irish healthcare system, a significant enabler to Sláintecare and a key driver of healthcare innovation in Ireland (see Section 3.3 of this report). Given the capacity challenges present in the public system it is unlikely that the healthcare demands of the Irish population could be met effectively without the PHI industry.

PHI covers a significant portion of the total healthcare spend in Ireland by providing capacity for its 2.5 million insured members across a variety of services outside of public hospital settings. The Central Statistics Office (CSO) attributes 12% of total healthcare spend in 2023 to PHI.<sup>5</sup> In 2024, PHI paid out €3.0 billion in claims,<sup>6</sup> an increase of 35% in the last five years.<sup>7</sup> This represents over 1 million patients using their PHI in 2024 to fund healthcare treatments ranging from standard elective surgeries to potentially life-saving cardiac, cancer, respiratory and psychiatric interventions.<sup>8</sup>

1. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market report 2024. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024\\_0.pdf](https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024_0.pdf).

2. These companies offer health insurance policies to all consumers, while a number of restricted membership undertakings serve specific member groups only; e.g., St Paul’s Garda Medical Aid Society.

3. Larsen, J., & Moran, P. (2023). A review of private health insurance in Ireland 2023. Health Insurance Authority. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2024-01/hia-consumer-survey-2023-final\\_0.pdf](https://www.hia.ie/sites/default/files/2024-01/hia-consumer-survey-2023-final_0.pdf).

4. Approximately 60% of survey respondents with PHI.

5. Central Statistics Office. (2025). System of Health Accounts 2023. Retrieved October 17, 2025, from <https://www.cso.ie/en/releasesandpublications/ep/p-sha/systemofhealthaccounts2023>.

6. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market Report 2024. Retrieved October 17, 2025, from <https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024.pdf>.

7. Ibid.

8. Based on data shared by the health insurers.

### Driving healthcare innovation

During our interviews, it became clear that PHI members are increasingly accessing care in new and innovative ways, with health insurers and private hospitals leading the way in providing new models of care for their members. This is aligned to the Sláintecare objectives of delivering care in the most appropriate setting—“right care, right place, right time.”<sup>9</sup> These new models of care include access to treatment in ambulatory clinics, consultant rooms and help-at-home services, amongst others. Preventative and proactive care has become an increased focus, with PHI providers investing in chronic disease management (CDM) programs, mental health services and employee assistance programs (EAPs). According to the insurers, the shift to providing care outside of a hospital setting is delivering improved access and shorter waiting times, lower cost per procedure and high patient satisfaction (due to quicker resolution and less disruption) and is optimising hospital capacity, focusing resources on patients who truly require inpatient care.

By supporting preventative care, early intervention and alternative care pathways, the insurers aim to contain costs and improve the member experience and patient outcomes while continuing to meet the rising demand for healthcare services. This aligns closely with the public policy objectives of Sláintecare.

### Value to the wider economy

In addition to supporting the aims of Sláintecare and the overall healthcare system in Ireland, the private healthcare system provides a wider value to the Irish economy via job creation. Around 2,200 people are employed directly by the four health insurers operating in the Irish market, with an estimated 9,500 others employed more broadly in the industry across private hospitals.<sup>10</sup> PHI is also seen as an enabler for Irish businesses to recruit top talent, with employer-sponsored health insurance acting as an important element of benefit structures for local and multinational corporations based in Ireland. This supports job creation, which aligns with the government’s overall strategy of prioritising the development of a skilled workforce.

## 1.4 LOOKING TO THE FUTURE

The PHI market is dependent for its long-term financial sustainability on a continuing inflow of new, younger, healthier members, particularly due to the ageing population and the regulatory environment. The growth in new members has slowed in recent years, and this is a key challenge for the market, particularly when combined with increased medical inflation which has resulted in upward pressure on premiums. As we look to the future, there are a number of ways that the public and private systems can work together to secure a strong and vibrant healthcare system for the Irish people.

### A vision for PHI in the context of Sláintecare

Throughout our interviews, the health insurers voiced their support for Sláintecare. The government has a published plan in place for Sláintecare implementation; however, it was noted that no clear vision has been laid out for the role of PHI within the broader Irish healthcare system in the context of Sláintecare. This creates uncertainty for the private healthcare market, including the PHI members who value this financial service and rely heavily on the benefits provided by PHI.

A key call from the PHI industry is for more collaboration across the public and private healthcare systems in the future, including in defining and shaping the vision for PHI in the context of Sláintecare, given the important role PHI plays in enabling Sláintecare.

### Sustainability

Rising healthcare costs and increased demand are putting upward pressure on PHI premiums. In a voluntary market that relies on intergenerational solidarity to support community rating, this creates challenges for the sustainability of the PHI market. Should younger, healthier members leave the market, this could increase premiums for the remaining members, thus further reducing affordability and potentially resulting in further exits of people holding PHI, resulting in a vicious cycle. If health insurance were to become unaffordable and the size of the market reduced, this could worsen capacity issues in the public system across acute hospitals and primary care.

9. See the Sláintecare website at <https://www.gov.ie/en/department-of-health/campaigns/sl%C3%A1intecare/>.

10. Private Hospital Association. Retrieved October 17, 2025, from <https://web.archive.org/web/20250209200648/https://privatehospitals.ie/>.

There are a number of mechanisms already in place to support intergenerational solidarity and sustainability within the market, including tax relief at source on PHI premiums and young adult rates.<sup>11</sup> However, these mechanisms have not been reviewed for many years and may not be keeping up to date with market trends or inflation. The cap on the tax relief at source was highlighted in our interviews as something that should be reviewed to support take-up and sustainability. Consideration should also be given to incentivising corporate sponsorship of employee health insurance; for example, by reviewing the rules surrounding benefits in kind (BIK). To support sustainability, it is essential for government, the HIA and the PHI industry to work together to explore potential options to address these challenges.

### **Review of the Health Insurance Act and associated regulations**

More generally in our interviews it was noted that the legislation and regulation underpinning the PHI operating environment can be cumbersome in places and is being outpaced by the rate of change in the industry in some circumstances. The complexity of the regulations may also create challenges in the insurance market, which can reduce competition and ultimately consumer choice.

The Risk Equalisation Scheme (RES), as it currently stands, is intrinsically linked to providing care in an acute hospital setting and therefore diminishes incentives to facilitate care in a more effective or appropriate setting. The legislation can also create challenges when updating products or removing older product offerings, which the insurers identify as contributing to the proliferation of health insurance contracts in the market.<sup>12</sup> Better collaboration between the health insurers, the HIA and the Department of Health to review and update the regulations, where appropriate, may facilitate improved efficiency, experiences and outcomes for health insurance members by simplifying the consumer experience and creating opportunities for care in more appropriate settings.

## **1.5 CONCLUSIONS**

The PHI market is an integral part of the overall healthcare system in Ireland, enabling 2.5 million Irish people to have funded access to healthcare and wellness benefits in private settings, complementing the services offered to them in the public system. It is an enabler to Sláintecare by delivering healthcare to its members to the value of €3.0 billion in 2024, it supports the sustainability of the public system and, through innovative care models, it aligns with Sláintecare's objective of delivering care in the most appropriate setting.

Although the PHI market continues to expand, it faces ongoing challenges that could be addressed through stronger collaboration between government and industry stakeholders. In our interviews, health insurers consistently noted the need for enhanced cooperation between the public and private systems, particularly in shaping the role of PHI following the implementation of Sláintecare. There is a clear willingness among the industry to work closely with public bodies to develop a shared vision and actionable road map to underpin the future of the PHI market. The Department of Health, in partnership with health insurers and other key stakeholders, should establish a clear vision for the role of PHI in the context of Sláintecare, fostering improved collaboration that benefits all parties involved.

Ensuring the long-term sustainability of the PHI market remains a significant challenge. Health insurers are calling for proactive government involvement, particularly through a review of the legislation and regulations that govern the sector, focusing on measures to improve take-up and sustainability. Key areas for consideration include tax relief at source and incentives for corporate sponsorship of employee health insurance. Additionally, a broader review of regulatory frameworks would ultimately benefit both current and prospective PHI members. In particular, it is vital to ensure that the regulatory framework keeps pace with changes in the market, including evolving healthcare delivery models, and that entry-level products remain relevant and accessible in the context of Sláintecare. Insurers have expressed a strong interest in actively participating in any such legislative or regulatory reviews. It is important for key stakeholders, including the Department of Health and the HIA, to prioritise these issues.

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11. These are lower premium rates for young adults based on a sliding scale of maximum chargeable rates up to age 26, thereby phasing in full adult rates.

12. The HIA's market report for Q2 2025 noted 344 inpatient plans across the four health insurers. See <https://www.hia.ie/news-and-research/market-reports-and-bulletins>

## 2 Introduction

### 2.1 CONTEXT FOR THIS REPORT

Insurance Ireland commissioned Milliman to produce a report on the Irish PHI market assessing the value that PHI brings to Irish society, its members and patients, the overall healthcare system and the Irish economy. In preparing the report we interviewed senior representatives from each of the private health insurers in Ireland.

The report highlights areas for policy focus identified through our interviews that would help support the continued contribution that the PHI market provides to the overall healthcare system in Ireland. Key areas identified include a shared vision for the role of PHI in the context of Sláintecare, greater collaboration between the private and public sectors and policy initiatives that would support the sustainability of the PHI market.

### 2.2 THE IRISH HEALTHCARE SYSTEM

The current Irish healthcare system includes both a public system, which is primarily tax funded, and a private system that is funded by PHI, with some out-of-pocket payments.

The Health Service Executive (HSE) delivers publicly funded healthcare in Ireland and focuses on protecting and improving the health of the population through various means, such as preventing disease, promoting good health and responding to public health threats. The publicly funded system provides a wide range of services, including (but not limited to) primary care, emergency care in public hospitals, public inpatient and outpatient care, maternity care and various screening services, in addition to preventative measures.

However, despite the wide-ranging public system, almost half of the Irish population also purchase PHI from one of four companies providing medical cover in the Irish market. The reasons for purchasing PHI are complex, vary from member to member and can include a desire for increased and timely access to care as well as greater choice and peace of mind. With such a high take-up rate, it is clear that PHI plays a critical role in the wider healthcare system in Ireland for a large portion of the population.

### 2.3 HISTORY OF THE MARKET

Voluntary PHI has been a feature of Irish healthcare since its introduction in 1957. Originally designed principally to provide cover to higher earners who were not entitled to public hospital care from the state, PHI has evolved in parallel with the evolution of the public health system. It now acts as both a complement and supplement to the public system; complementary in the sense that it provides reimbursement for charges levied through the public system, and supplementary in that it provides access to services not available through the public system (such as treatment in private hospitals).

The Health Insurance Act 1994, as amended (the Act), currently legislates for the provision of voluntary PHI in Ireland. The Act sets out the cornerstones of the health insurance market in Ireland (Figure 1).

FIGURE 1: CORNERSTONES OF THE HEALTH INSURANCE ACT

<p><b>Open Enrolment:</b> Insurers must accept all applications for health insurance, with legislation also limiting waiting periods that can apply for new entrants or upgrades in cover.</p>	<p><b>Lifetime cover:</b> Insurers cannot terminate or refuse to renew a contract, unless under some minor exceptions such as fraudulent misrepresentation, or if the insurer is exiting the market.</p>
<p><b>Minimum Benefits:</b> Contracts must provide at least a prescribed minimum level of coverage.</p>	<p><b>Community Rating:</b> The cost of health insurance is based on services and treatments, not an individual's medical history, previous claims or age. Everybody pays the same premium for the same product (with some minor expectations)—there is no risk rating of premiums.</p>

Community rating is a cornerstone of the PHI landscape in Ireland, which in simplified terms means that everyone must be charged the same premium for a defined product, regardless of age or health status. This means that, unlike most other forms of insurance, PHI in Ireland operates based on a stated aim of intergenerational solidarity between young and old and between those who are healthy and those who are less healthy.

Lifetime community rating (LCR) was introduced in May 2015 to support intergenerational solidarity by encouraging people to enter the health insurance market at a younger age.<sup>13</sup> Other minor amendments to the principle of community rating include giving health insurers the ability to charge lower premiums for children and young adults within limits specified in the Act.

There is a Risk Equalisation Scheme (RES) in operation to support the principal objective of the Act. Every member that purchases PHI pays a stamp duty into the RES as part of their premium. The stamp duties are collected in a risk equalisation fund and the total value of the duties are redistributed in respect of less healthy members via payments to their health insurer, based on age and gender or healthcare utilisation, to reduce their claim costs. The aim of the scheme is to reduce variations in claims costs driven by differences in members' risk level, across all lives where possible. Risk equalisation is a common feature in community rated health insurance markets.

## 2.4 OVERVIEW OF THE HEALTH INSURANCE MARKET

The Irish PHI market is a well-established sector, serving over 2.5 million people—approximately 46% of the population<sup>14</sup>—providing healthcare benefits to the value of €3.0 billion annually.<sup>15</sup> There are currently four companies offering PHI in the Irish market: Vhi Healthcare (Vhi), Laya Healthcare (Laya), Irish Life Health (ILH), and the recently launched Level Health (collectively referred to as “the health insurers” or “the insurers” throughout this report). These companies offer policies to all consumers, while a number of restricted membership undertakings (RMUs) serve specific member groups only (for example, St Paul’s Garda Medical Aid Society).<sup>16</sup>

Vhi was established by the state in 1957 and continues to operate as a state-owned statutory corporation. At Q2 2025 Vhi had market share of 48.3%.<sup>17</sup>

Laya was founded in 1996 as BUPA Ireland. In 2007 the Quinn Group acquired BUPA Ireland and renamed it Quinn Healthcare. In 2012 the company was rebranded as Laya Healthcare following a senior management bid enabled by Swiss Re, with Elips Insurance Ltd as the underwriter. Laya was acquired by AIG in 2015 and its policies continued to be underwritten by Elips Insurance Ltd. In a deal completed in October 2023, Laya was acquired by Axa Insurance Ireland, which now underwrites its health insurance business. Laya’s market share was 28.1% at Q2 2025.

In 2016, Irish Life purchased both the remaining shareholdings of Glo Health (which had operated in Ireland since 2012) and Aviva Health (which had operated in Ireland since 2004 where it traded as VIVAS and later as Aviva), launching Irish Life Health under the Great West Lifeco Group. ILH’s market share was 20.3% at Q2 2025.

Level Health is the newest company offering health insurance in the Irish market, having launched in November 2024. It is backed by Aviva Insurance Ireland, which underwrites the policies. Level Health had captured a 0.7% market share by end Q2 2025.

13. Lifetime community rating results in increased premiums for a specified duration and amount for members who are over the age of 35 when first taking out health insurance. Late entry charges, called LCR loadings, are payable for a maximum of 10 years.

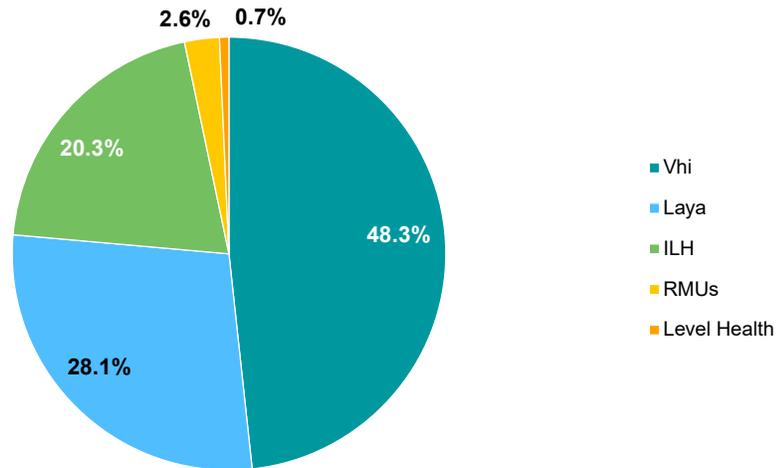
14. Health Insurance Authority (June 2025). Quarterly report on health insurance: Q2 2025. Retrieved October 17, 2025, from <https://www.hia.ie/news-and-research/market-reports-and-bulletins>

15. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market report 2024. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024\\_0.pdf](https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024_0.pdf).

16. This report was compiled based on consultations with the health insurers only. RMUs were not consulted during this process.

17. Health Insurance Authority (June 2025). Quarterly report on health insurance: Q2 2025. Retrieved October 17, 2025, from <https://www.hia.ie/news-and-research/market-reports-and-bulletins>

FIGURE 2: MARKET SHARE Q2 2025



The landscape of PHI has changed significantly in recent years. Originally, privately funded care was mainly provided in public hospitals; however, the proportion of privately funded care delivered in public hospitals has been reducing over time as the private hospital sector has grown. This reduction has accelerated following the introduction of Sláintecare in 2017 by the Oireachtas Committee on the Future of Healthcare.

The vision of Sláintecare is to create a health and social care service where people can access the right services, closer to home, based on need and not ability to pay.<sup>18</sup> Removing private activity from public hospitals was identified as an important step towards achieving the Sláintecare objectives. Public-only consultant contracts were introduced in March 2023 for all new consultant appointments, and optionally for existing consultants, of whom about 60% had opted in by December 2024.<sup>19</sup>

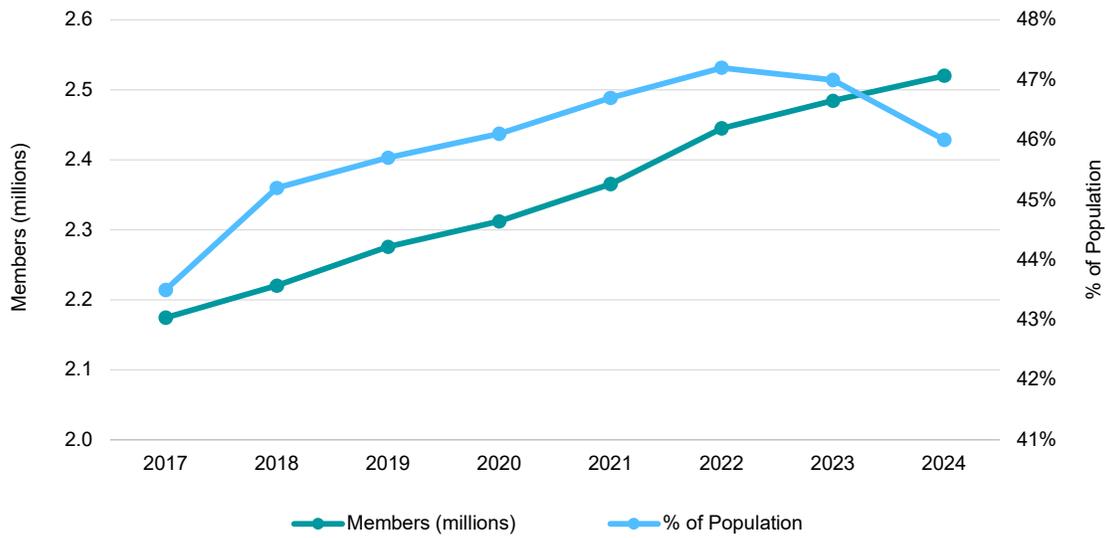
PHI is now more heavily focused on activity in private hospitals, day care and ambulatory centres, private consultant rooms and urgent care clinics, and has an increased focus on new and innovative benefits such as digital services, preventative care, chronic disease management (CDM) and wellness benefits. This has been partly driven by the implementation of Sláintecare, but is also a result of the expansion of the private hospital sector in Ireland and changes in models of care to non-hospital settings.

The number of members in the PHI market continues to grow, despite the implementation of Sláintecare. However, the membership as a percentage of the total Irish population has reduced in recent years as the population has increased, which may threaten the financial sustainability of the PHI market over the longer term. Figure 3 shows the growth in member numbers over the period 2017–2024, inclusive.<sup>20</sup>

18. See the Sláintecare website at <https://www.gov.ie/en/department-of-health/campaigns/sl%C3%A1intecare/>.

19. Government of Ireland. (n.d.). Path to universal healthcare: Sláintecare & programme for government 2025+. Retrieved October 17, 2025, from [https://assets.gov.ie/static/documents/Path\\_to\\_Universal\\_Healthcare\\_Slaintecare\\_Programme\\_for\\_Gov\\_2025.pdf](https://assets.gov.ie/static/documents/Path_to_Universal_Healthcare_Slaintecare_Programme_for_Gov_2025.pdf).

20. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market report 2024. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024\\_0.pdf](https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024_0.pdf).

**FIGURE 3: NUMBER OF PEOPLE WITH HEALTH INSURANCE COVERAGE**

The growth in the PHI market has also been mirrored by the growth in the number of private hospitals in Ireland. There are currently 21 private hospitals in Ireland (19 in the Republic of Ireland and 2 in Northern Ireland), with the private system accounting for one in six hospital beds, demonstrating it is a substantial provider of bed capacity in the healthcare system.

The private hospital landscape has undergone significant consolidation and investment in recent years. In late 2024, Blackrock Health announced a €500 million investment plan to add hundreds of beds, new operating theatres, specialised care centres and 1,000 new jobs across its group of hospitals,<sup>21</sup> while the Bon Secours Health System recently opened a new 190 bed facility in Limerick.<sup>22</sup> International interest in the sector is also growing, as demonstrated by the sale of Beacon Hospital to Australia's Macquarie Asset Management.<sup>23</sup>

While these investments point to growing hospital bed capacity in the private sector, there is also evidence of a trend towards more outpatient and clinic-based services outside of traditional hospital settings, reflecting changing models of care and mirroring a key Sláintecare objective to transition care out of hospital settings where appropriate. The HIA report that claims in non-hospital settings (i.e., outpatient, GP and other claims) have increased, representing 20% of total claims in 2024, up from 12% in 2019.<sup>24</sup>

21. Blackrock Health. Blackrock Health announces €500 million investment. Health Manager. Retrieved October 17, 2025, from <https://www.blackrockhealth.com/news-events/blackrock-health-announces-eu500-million-investment-1000-new-jobs-once-complete>.

22. Martyn, P. (2025). Bon Secours Limerick to bring more 'health capacity' to Midwest. RTE. Retrieved October 17, 2025, from <https://www.rte.ie/news/health/2025/1015/1538576-bon-secours-limerick>.

23. Finn, B. (2024). Private healthcare: A boom area for investment? RTÉ. Retrieved October 17, 2025, from <https://www.rte.ie/news/business/2024/0505/1447285-private-healthcare-a-boom-area-for-investment/>.

24. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market Report 2024. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024\\_0.pdf](https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024_0.pdf).

### 3 Current role of the Irish PHI Market

This section outlines the value PHI provides to its members and wider society as a critical element of the Irish healthcare system, a significant enabler to Sláintecare and a key driver of healthcare innovation in Ireland.

#### 3.1 A WIDESPREAD FINANCIAL SERVICE

Almost half of the population holds PHI, highlighting that it is a valued and important financial service for a significant portion of the Irish population. A consumer survey carried out by the HIA in 2023 highlighted the demographic reach of health insurance in addition to the reasons for purchasing PHI.<sup>25</sup> Some key takeaways from the survey results are as follows:

- Approximately 70% of health insurance members are from white collar/professional backgrounds, with the remaining 30% coming from blue collar or lower income backgrounds.
- People over 35 are more likely to take out health insurance, with people over 65 making up 22% of members. Approximately 35% of people with health insurance have dependent children.
- The main reason given for having PHI was that it was offered with employment, either fully or partially covered by employers (19%), with a high portion of the survey respondents noting that their key driver was inadequate services in the public system (13%) and lack of access/waiting lists in the public system (11%).
- Approximately 60% of the survey respondents noted that PHI was a necessity, not a luxury, and a significant number of respondents also noted that they would never give up their PHI (34%).

The survey results communicate that PHI plays an important and valued role in the healthcare system for a significant portion of the population. Interviews for this report demonstrated that PHI provides choice, security and peace of mind for members and their families.

PHI can provide choice for consumers in terms of selecting their own healthcare providers from doctors and specialists covered on their plans. It provides peace of mind for consumers in knowing that they have financial protection in the case of unexpected medical emergencies. PHI also provides access to additional services outside of the public healthcare system such as digital consultations with various healthcare professionals as outlined in Section 3.2.

#### 3.2 AN ENABLER OF SLÁINTECARE

Our interviews for this report highlighted that PHI can be considered an important enabler to Sláintecare, in that it supports the sustainability of the wider healthcare system. The PHI industry covers a material portion of the total healthcare spend in Ireland, in addition to providing additional capacity for its 2.5 million members across a variety of services outside of public hospital settings.

Given the capacity challenges already present in the public system it is unlikely that the healthcare demands of the total Irish population would be met effectively without the PHI market. In 2024, PHI covered €3.0 billion in claims, based on figures published by the HIA.<sup>26</sup>

The value of claims covered by PHI has grown significantly—by 35%—over the past five years, rising from €2.25 billion in calendar year 2019 to €3.03 billion in calendar year 2024.

25. Larsen, J., & Moran, P. (2023). A review of private health insurance in Ireland 2023. Health Insurance Authority. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2024-01/hia-consumer-survey-2023-final\\_0.pdf](https://www.hia.ie/sites/default/files/2024-01/hia-consumer-survey-2023-final_0.pdf).

26. Health Insurance Authority. (n.d.). Health insurance in Ireland: Market Report 2024. Retrieved October 17, 2025, from <https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024.pdf>.

THESE CLAIMS COVER A WIDE VARIETY OF PATIENT TREATMENTS ACCESSED BY MEMBERS AND THEIR FAMILIES. THE TABLE BELOW OUTLINES THE TOP CARE CATEGORIES ACCESSED BY PHI MEMBERS OVER 2024. THIS SHOWS THE BREADTH AND DEPTH OF TREATMENTS FUNDED BY THE PHI MARKET AND THE NUMBERS OF PATIENTS BEING CARED FOR ON AN ANNUAL BASIS. FIGURE 4: TOP CARE CATEGORIES 2024

CLAIM AREA	NUMBER OF CLAIMANTS	CLAIM AMOUNT (€M)
Orthopaedic	285,300	467
Cancer	172,671	453
Digestive	139,274	264
Cardiac	136,579	385
Genitourinary	90,534	167
Respiratory/ENT Care	80,035	123
Ophthalmic	79,107	132
Psychiatric	44,415	140
<b>Total</b>	<b>1,027,915</b>	<b>2,129</b>

Source: Aggregate data provided by the health insurers for this report.

The figures highlight delivery of key healthcare services to over 1 million patients in 2024, including delivery of potentially life-saving cancer, cardiac, respiratory and psychiatric care in addition to orthopaedic and ophthalmic care and other treatments that can result in significant improvements in quality of life. This represents a significant proportion of total care accessed in Ireland for specific care categories.

The Private Hospital Association estimated that its member hospitals were responsible for 300,000 surgical procedures annually, including more than half of all spinal and cardiac surgeries across Ireland<sup>27</sup>—with the majority of these treatments being covered by PHI. In addition, PHI members availed of approximately 70,000 instances of screening and other preventative care measures in 2024, based on data provided by the insurers.

PHI members are increasingly accessing care in new and innovative ways and the private hospitals and health insurers indicate that they have been leading the way in terms of providing new models of care for their members. This is aligned to the Sláintecare objectives of delivering care in the most appropriate setting.<sup>28</sup> These new models of care include a significant shift to providing care outside of a hospital setting, in ambulatory clinics and consultant rooms, in addition to access to digital appointments, urgent care clinics, care-at-home services, CDM programs and mental health supports, amongst others.

The insurers were keen to highlight that the shift to offering access to care outside of an acute hospital setting has allowed the Irish PHI industry to deliver high-volume, low-complexity procedures at a lower cost in a patient-centric manner, with significantly reduced overheads compared to hospital settings. For example, it was noted that a high proportion of ambulatory treatments are delivered in a single visit, which reduces friction for the patient through fewer appointments and faster turnaround times, without compromising quality or patient outcomes.

In addition, consultant rooms are increasingly being used to treat patients for low-complexity interventions, with the aim of avoiding the need for hospital admission, which should result in time savings and reduced cost for both the system and patients. According to the insurers, the shift to providing care outside of a hospital setting is delivering improved access and shorter waiting times, lower cost per procedure, and higher patient satisfaction due to quicker resolution and less disruption and is optimising hospital capacity, focusing resources on patients who truly require inpatient care.

The demand for telemedicine has increased significantly post Covid,<sup>29</sup> with PHI now covering access to a variety of digital medical services including digital GP services via phone, video or messaging, digital nurse services and online mental health supports. Access to digital services is a core enabler to shifting care outside of hospital

27. Private Hospital Association. Retrieved October 17, 2025, from <https://web.archive.org/web/20250209200648/https://privatehospitals.ie/>.

28. See the Sláintecare website at <https://www.gov.ie/en/department-of-health/campaigns/sl%c3%a1intecare/>.

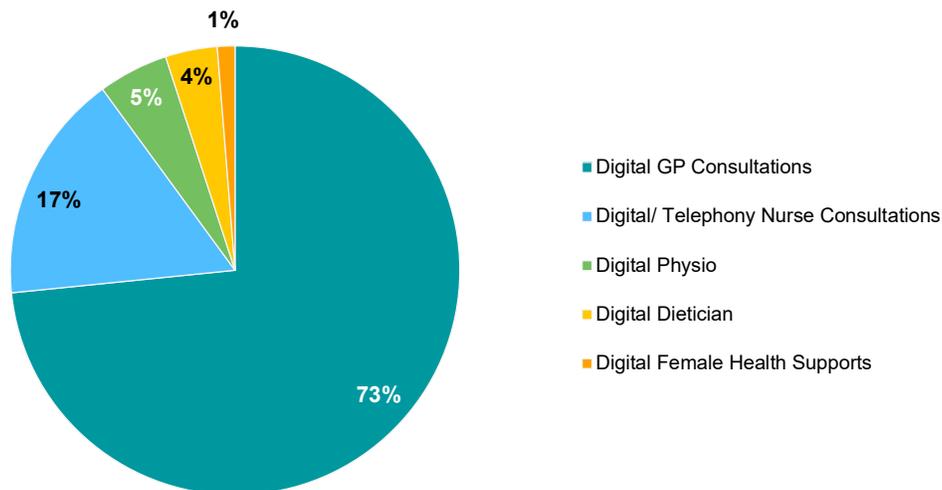
29. Health Service Executive. (n.d.). HSE telehealth roadmap 2024–2027. Retrieved October 17, 2025, from [https://assets.hse.ie/media/documents/HSE\\_Telehealth\\_Roadmap\\_full\\_report.pdf](https://assets.hse.ie/media/documents/HSE_Telehealth_Roadmap_full_report.pdf).

settings, aligning with the Sláintecare objectives. Based on data provided by the health insurers, total digital consultations accessed by PHI members exceeded 360,000 in 2024.

Digital GP consultations make up a significant proportion of digital consultations: approximately 267,000 visits in 2024, based on the data provided. The insurers highlighted that digital GP consultations play an important role in easing pressure on traditional healthcare facilities, as GP services in the wider healthcare system are under significant strain due to increased demand. While the number of digital consultations accessed via PHI is low relative to the total number of GP and practice nurse consultations carried out in Ireland annually, this is a new and growing service covered by PHI. This has the potential to act as a significant enabler to Sláintecare by bringing more GP capacity on board to support the already stretched public sector,<sup>30</sup> in which many GPs are struggling to take on new patients.

In addition to GP services, in 2024 PHI members accessed more than 60,000 nurse consultation services, more than 18,000 physiotherapy services, almost 14,000 dietitian services, and almost 5,000 female health supports online or via telehealth. Other digital touchpoints utilised by patients include GP services outside of consultations such as Message a Doctor programs, speech and language services and mental health supports. Total digital consultations increased by 15% from 2023 to 2024, highlighting a growing demand for digital care by members and patients that is being addressed by the private insurance sector.

**FIGURE 5: DIGITAL CONSULTATIONS ACROSS THE PHI INDUSTRY BY SERVICE TYPE IN 2024**



Access to urgent care clinics has also become an important part of the health insurance benefit structure in recent years, with private clinics treating significant numbers of patients for minor injuries. During 2024, the health insurers paid over 250,000 claims with respect to private urgent care clinics for minor injuries. Attendances at public emergency departments (EDs) increased by 8% over 2024,<sup>31</sup> and the number of patients waiting on trolleys continues to be an issue; without access to the private urgent care clinics funded by PHI, these numbers would likely be higher and would exacerbate existing issues with capacity and waiting lists. In fact, at busy times of the year, the HSE has actively encouraged patients to attend private urgent care clinics for non-life-threatening conditions rather than attending a public hospital ED, demonstrating the importance of these clinics to the public healthcare system in Ireland.<sup>32</sup>

The statistics above highlight areas where the health insurers believe they add real value to both their members and the wider healthcare system in Ireland. Without PHI, these members would more than likely be accessing care in the public system, which would exacerbate issues with capacity and waiting lists.

30. Dáil Éireann. (February 21, 2024). Debate on healthcare provision in rural communities: Motion [Private Members]. 1050(1). Retrieved October 17, 2025, <https://www.oireachtas.ie/en/debates/debate/dail/2024-02-21/8/>.

31. Health Services Executive. (July 2025). HSE publishes 2024 annual report: Advancing reform to deliver better care [Press release]. Retrieved October 17, 2025, <https://about.hse.ie/news/hse-publishes-2024-annual-report-advancing-reform-to-deliver-better-care/>.

32. Health Services Executive. (August 2025). Plan ahead for a safe bank holiday weekend: Know your care options [Press release]. Retrieved October 17, 2025, <https://about.hse.ie/news/hse-splan-ahead-for-a-safe-bank-holiday-weekend-know-your-care-options/>.

### 3.3 DRIVING HEALTHCARE INNOVATION

In recent years, the health insurers have introduced a broad range of new services, models of care and digital solutions with the aim of enhancing access, efficiency and health outcomes. A significant development is the widespread adoption of digital healthcare services as outlined in Section 3.2 above, but PHI has also expanded access to alternative models of care, such as hospital-at-home programs.

The hospital-at-home services focus on facilitating earlier discharge of patients from inpatient hospital settings by providing nurse-led care in the home (IV medications, wound care, drain and stoma management, etc.). Such programs are key to increasing capacity in the hospital setting by treating patients outside of a hospital setting where appropriate, aligning to Sláintecare objectives. In 2024, almost 1,000 PHI members accessed home-based acute care, receiving hospital-level treatment in their own homes; this would previously have been delivered in an acute hospital setting. The health insurers have indicated strong positive feedback on these services from patients, with material improvements in patient experience.

Preventative and proactive care has become an increased focus, with PHI providing CDM programs, mental health services and EAPs. CDM programs include coordinated and integrated delivery of care, aiming to improve patient outcomes and reduce hospital admissions. Over time, CDM programs are intended to reduce healthcare costs by shifting care from being reactive (acute) to proactive (preventative) and to improve capacity by freeing up resources in EDs and hospitals.

In 2024, over 20,000 PHI members accessed in-person mental health services via their health insurance, in addition to the numbers accessing digital mental health services. Mental health services include counselling, mindfulness courses and psychotherapy. PHI's increased focus on mental health services and consumer well-being is closely aligned to wider public health policy, with the Department of Health's 2024 publication "Pathways to Wellbeing: National Mental Health Promotion Plan 2024–2030"<sup>33</sup> setting out its objectives in this increasingly important area. Access to mental health and wellness benefits through EAPs is also growing. In 2024 more than 13,500 EAP sessions were delivered to PHI members, supporting better long-term health and wellness outcomes and reducing the incidence of acute episodes that require hospitalisation.

In addition to delivery of care, PHI often offers earlier access to new and innovative healthcare technologies and licensed drugs, including new cancer treatment drugs. Robotic surgery and personalised medicine were also highlighted as new and evolving technologies that may be offered in the private sector in the future. The health insurers expressed the view that healthcare innovation can improve the member experience and patient outcomes, in addition to contributing to greater efficiency within the healthcare system. By supporting new and innovative PHI services such as preventative care, early intervention and alternative care pathways, the insurers maintain that PHI can help contain costs while meeting the rising demand for healthcare services.

Each of the insurers also mentioned the potential for artificial intelligence (AI) to provide increased efficiencies and medical advances in the future. Currently, key uses of AI with health insurers are focused on insurance process efficiency and expense and claims cost reduction, including identifying areas of fraud, waste and abuse.

However, in the future, AI could be used in a variety of ways across the health insurance industry, simplifying health insurance for members by interpreting health data or providing medical summaries to professionals and suggesting personalised care pathways. AI also has the potential to further medical advancements and will potentially accelerate new drug and treatment discovery.<sup>34</sup> Our interviews highlighted that the health insurance industry could play a key role in bringing access to new and innovative treatments to their members, improving patient experiences and outcomes and supporting preventative care and early intervention to contribute to overall population health.

### 3.4 VALUE TO THE WIDER ECONOMY

More than 2,200 people are employed directly by the four health insurers operating in the Irish market, with an estimated 9,500 others employed more widely in the industry across private hospitals.<sup>35</sup>

PHI is also an important benefit for employers to offer their staff as part of their overall remuneration structure. As noted above, the HIA consumer survey showed that 19% of PHI members indicated that the main reason they

33. Available at <https://assets.gov.ie/static/documents/pathways-to-wellbeing-national-mental-health-promotion-plan-20242030.pdf>.

34. Roche. (2025). AI and machine learning: Revolutionising drug discovery and transforming patient care. Retrieved October 17, 2025, from <https://www.roche.com/stories/ai-revolutionising-drug-discovery-and-transforming-patient-care>.

35. Private Hospital Association. Retrieved October 17, 2025, from <https://web.archive.org/web/20250209200648/https://privatehospitals.ie/>.

have PHI is because it is offered through their employment. This percentage is materially higher at younger age cohorts: 28% for 18-to-34-year-olds and 25% for 35-to-54-year-olds.

During our discussions it was noted numerous times how important corporate membership is to the health insurers, in addition to how important high-quality PHI is to large companies. PHI is a standard component of many corporate packages, particularly when trying to attract top international talent, both for domestic Irish companies and multi-national companies based here. Multinational companies based in Ireland, in particular, want to provide consistent, high-quality health insurance across their global population of employees, and the Irish PHI providers typically provide tailored plans to meet their needs. PHI is an important enabler of foreign direct investment in Ireland as it supports employee mobility and quality of life, reduces friction in onboarding and enhances Ireland's business reputation and environment. This supports job creation, which aligns with the government's overall strategy of prioritising the development of a skilled workforce.

Based on information provided by the health insurers, 29% of total premiums paid in 2024 were paid by Irish and multinational corporations in respect of their employees. In addition, the average age of corporate members is approximately 34, which is 13 years lower than the average age of the total insured population. Corporate members play an important role in supporting the concept of intergenerational solidarity and therefore are key to ensuring the sustainability of the PHI market in Ireland.

## 4 Looking to the future

The PHI market is dependent for its long-term financial sustainability on a continuing inflow of new, younger, healthier members, particularly due to the ageing population and the regulatory environment (e.g., the principles of intergenerational solidarity and community rating set out in the Act). The growth in new members has slowed in recent years, and this is a key challenge for the market, particularly in the face of increased medical inflation, which has resulted in premium increases in recent years.

If the PHI market in Ireland did not exist or became unaffordable for large portions of the population, then the healthcare needs of those members would need to be met in the public system, resulting in longer waiting lists, increased public funding requirements and potentially reduced capacity overall due to fewer private hospitals.

As we look to the future, there are a number of ways that the public and private systems could work together to secure a strong healthcare system for the Irish people.

### 4.1 ROLE OF PRIVATE HEALTHCARE IN THE CONTEXT OF SLÁINTECARE

Throughout our interviews, the health insurers voiced their support and alignment with the goals of Sláintecare and the stated government objective of removing private treatment from public hospitals. Private treatment in public hospitals has been a reducing proportion of PHI claims over recent years as Sláintecare has been implemented. Despite this, the provision of healthcare covered by PHI has grown over that period, with increased activity in private hospitals as well as a move to providing care in non-hospital settings.

Section 3 of this report explained that PHI plays an important role in increasing capacity in the health system overall and provides relief to resource and capacity constraints within the public system, given that many of those sourcing treatment through the private system would likely need to access care in the public system in the absence of PHI reimbursement.

The government has been clear on its plans for Sláintecare, including a focus on removing private treatment from public hospitals. However, the insurers noted that a challenge for the PHI industry is that no clear vision has been laid out for the role of PHI within the broader Irish healthcare system in the context of Sláintecare. This creates uncertainty for the health insurance market and for the PHI members who value this financial service and rely on the benefits provided by PHI.

A key ask from the health insurers is for more collaboration across the public and private sectors in the future, including in defining and shaping the vision for PHI in the context of Sláintecare.

### 4.2 SUSTAINABILITY OF THE PHI MARKET

One consequence of rising healthcare costs is that it puts pressure on the sustainability of the PHI market, particularly given it is a voluntary market that relies on intergenerational solidarity to support community rating. If there is a perception that health insurance is unaffordable or too expensive, it is likely that the younger or healthier cohorts of the insured population will be the first to reconsider their insurance premiums and leave the market. All other things being equal, this means that a broadly similar level of claims costs will be shared across a smaller, older, and less healthy insured population. This will put further pressure on premiums, which could result in more younger and healthier people leaving the market, reducing its sustainability even more.

Population ageing is a major global demographic shift. In Ireland, the number of people age 65 and older is expected to double by 2051, with the over-85 population projected to almost triple.<sup>36</sup> This demographic shift is likely to significantly increase demand for healthcare services, particularly long-term and chronic care. This creates challenges for the provision of healthcare for an older population and for sustainability more generally across a PHI market that relies on intergenerational solidarity. While the overall number of people utilising PHI has been increasing year on year, the proportion of the insured population under 65 is decreasing year on year (see Figure 6).<sup>37</sup> The health insurers noted that this trend is expected to continue in the future, reflecting the ageing of the Irish population more generally, unless something changes in the market.

36 Sheehan, A., & O'Sullivan, R. (2020). Ageing and public health: An overview of key statistics in Ireland and Northern Ireland. Institute of Public Health. Retrieved October 17, 2025, from <https://publichealth.ie/sites/default/files/2023-02/wp-content/uploads/2020/04/20200416-AGEING-PUBLIC-HEALTH-MAIN.pdf>.

37 Health Insurance Authority. (2024). Report of the Authority to the Minister for Health on an evaluation and analysis of returns from 1 July 2023 to 30 June 2024, including advice on risk equalisation credits. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2024-11/autumn-res-report-2024\\_redacted.pdf](https://www.hia.ie/sites/default/files/2024-11/autumn-res-report-2024_redacted.pdf).

**FIGURE 6: AGE PROFILE OF INSURED MEMBERS**

	2019	2020	2021	2022	2023	2024
<b>Under 65</b>	84.0%	83.8%	83.4%	83.3%	83.2%	82.7%
<b>Over 65</b>	16.0%	16.2%	16.6%	16.7%	16.8%	17.3%

In 2015, a number of mechanisms were introduced to support intergenerational solidarity, including lifetime community rating, described in Section 2.3, and young adult rates.<sup>38</sup> Neither of these mechanisms have been updated since they were introduced 10 years ago.

The government also allows for tax relief at source on health insurance premiums, based on the standard rate of tax (20%). This was capped in 2013 to only apply to the lower of the health insurance premium or a maximum ceiling of €1,000. When the cap was introduced in 2013, the average health insurance premium was €1,048.<sup>39</sup> However, premiums have increased in the years since, with the average premium now €1,740.<sup>40</sup> Increasing the ceiling to reflect the current operating environment would be one way to support sustainability across younger members. There are also international examples of where tax relief is linked to changes in health insurance premiums, such as in the Australian market.<sup>41</sup>

Another way to support sustainability within the market could be to incentivise increased take-up of employer-sponsored corporate plans—the HIA consumer survey highlighted that 19% of respondents indicated that the main reason that they have PHI is because it is offered through their employment. One of the ways this could be achieved would be to review the rules surrounding benefits in kind (BIKs).

It is important to ensure that health insurance remains affordable to the general population, including to younger people, to maintain a sustainable market. If health insurance were not affordable, members might leave the market, potentially worsening capacity issues in the public system across acute hospitals and primary care. It is therefore beneficial for government, the HIA and the health insurers to work together to explore options to address these challenges, such as those discussed in this section, to support the sustainability of the market and align with the Sláintecare objectives.

### 4.3 REGULATION WITHIN THE MARKET

A consistent theme across our interviews was the regulatory burden underpinning the operating environment of the health insurers and the fact that the regulation, including the RES, does not always keep up to date with the pace of change in the industry. The insurers noted that the RES, as it currently stands, does not offer incentives to provide care in a more effective or appropriate setting and in many cases, is heavily linked to the provision of acute hospital care. In addition, the regulations with regard to the minimum benefits that can be offered under the health insurance plans and the entry-level 'non-advanced' plans are linked to the provision of private services in public hospitals, and these will need to be reviewed in the context of Sláintecare.

From a consumer perspective, there is a proliferation of health insurance plans in the market (the HIA's market report for Q2 2025 noted 344 inpatient plans across the four health insurers). While a large number of plans may provide greater flexibility and a broader range of options to meet consumer needs, it can also make it difficult for consumers to understand the market and to ensure that policy benefits meet their specific needs. It was acknowledged in our interviews that this was an important area to address, and while there are many reasons for the proliferation of products, one reason may be linked to the regulatory requirements in respect of removing older products from the market.

<sup>38</sup> These are lower premium rates for young adults based on a sliding scale of maximum chargeable rates up to age 26, thereby phasing in full adult rates.

<sup>39</sup> Health Insurance Authority. (2013). [Newsletter]. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/HIA\\_February%20Newsletter\\_2013.pdf](https://www.hia.ie/sites/default/files/HIA_February%20Newsletter_2013.pdf).

<sup>40</sup> Health Insurance Authority. (n.d.). Health insurance in Ireland: Market report 2024. Retrieved October 17, 2025, from <https://www.hia.ie/sites/default/files/2025-04/hia-market-report-2024.pdf>.

<sup>41</sup> Australian Government Department of Health, Disability and Ageing. (2025). PHI 21/25 Private health insurance rebate adjustment factor effective 1 April 2025. Retrieved October 17, 2025, from <https://www.health.gov.au/news/phi-circulars/phi-2125-private-health-insurance-rebate-adjustment-factor-effective-1-april-2025>

The HIA continues to see consumer protection as one of its key objectives as highlighted by having ‘the informed consumer’ as a key pillar in its 2025–2028 strategy.<sup>42</sup> Therefore there may be an opportunity for the HIA to work with health insurers and the Department of Health to review the regulations, where appropriate, to improve consumer experiences. This may become increasingly important given the pace of change in the industry and the evolving needs of members and patients and should be considered in the context of any government vision of the role of PHI in the context of Sláintecare. Thought should be given to what an entry-level health insurance product could look like in the context of Sláintecare to ensure these products continue to remain relevant.

Regulation also plays a part in the level of competition in the market. There are only four health insurers operating in the market currently. While there has been increased interest in the health insurance market in recent years with investment from large international insurance groups such as Axa and Aviva, the number of health insurers is much lower than the number of insurers offering other types of non-life insurance in the domestic market, such as motor and home insurance. Health insurance regulation potentially plays a role in this, as do certain other obstacles such as negotiation with hospitals, pressure from other healthcare providers and pharmaceutical companies and the general uncertainties associated with the future of the PHI market in the context of Sláintecare.

Better collaboration across the health insurance industry, the HIA and the Department of Health to review and update the regulations, where appropriate, should improve consumer outcomes. This could result in increased take-up of PHI across the Irish population, which should further alleviate strain on the public system.

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<sup>42</sup> Health Insurance Authority. (n.d.). Strategic plan: 2025–2028. Retrieved October 17, 2025, from [https://www.hia.ie/sites/default/files/2025-06/hia-2025-2028-strategy\\_0.pdf](https://www.hia.ie/sites/default/files/2025-06/hia-2025-2028-strategy_0.pdf).

## 5 Conclusions

The PHI market is an integral part of the overall healthcare system in Ireland, enabling 2.5 million Irish people to have funded access to healthcare and wellness benefits in private settings, complementing the services offered to them in the public system. It is an enabler to Sláintecare—by meeting the healthcare needs of its members to the value of €3.0 billion in 2024, it supports the sustainability of the public system and, through innovative care models, aligns to Sláintecare’s objective of delivering care in the most appropriate setting.

Although the PHI market continues to expand, it faces ongoing challenges that could be addressed through stronger collaboration between government and industry stakeholders. In our interviews, health insurers consistently highlighted the need for enhanced cooperation between the public and private systems, particularly in shaping the role of PHI in the context of Sláintecare. There is a clear willingness among insurers to work closely with public bodies to develop a shared vision and actionable road map to underpin the future of the PHI market. The Department of Health, in partnership with health insurers and other key stakeholders, should establish a clear vision for the role of PHI in the context of Sláintecare, fostering improved collaboration that benefits all parties involved.

Ensuring the long-term sustainability of the PHI market remains a significant challenge. Health insurers are calling for proactive government involvement, particularly through a review of the legislation and regulations that govern the sector, focusing on measures to improve sustainability. Key areas for consideration include tax relief at source and incentives for corporate sponsorship of employee health insurance. Additionally, a broader review of regulatory frameworks would ultimately benefit both current and prospective PHI members. In particular, it is vital to ensure that the regulatory framework keeps pace with changes in the market, including evolving healthcare delivery models, and that entry-level products remain relevant and accessible in the context of Sláintecare. In particular, it is vital to ensure that entry-level products remain relevant and accessible in the context of Sláintecare. Insurers have expressed a strong interest in actively participating in any such legislative or regulatory reviews. It is important for key stakeholders, including the Department of Health and the HIA, to prioritise these issues.

Ultimately, if these challenges are not addressed, there is a material risk that the health insurance market could contract, resulting in an increased pressure on the public healthcare system.

### 5.1 ACKNOWLEDGEMENTS

The authors would like to thank Insurance Ireland, it’s Health Council and its Health Insurance Working Group for their contribution to this report, in addition to those who were involved in interviews and collating data and all others who contributed to this report.

## 6 Appendix

### 6.1 METHODOLOGY

In researching and producing this report we carried out desk-based research using both publicly available data and data provided by the health insurers. We have drawn on these sources of data to compile facts and figures on the sector. Further information on data sources is available in Section 6.3 below. We also requested data from the health insurers to supplement the information we gathered and this is noted throughout the report.

In addition we conducted interviews with key stakeholders from each of the insurers, including members of the Insurance Ireland Health Council and members of the Health Insurance Working Group. These interviews form the basis of the content provided in this report, including the conclusions reached.

Neither Milliman or Insurance Ireland have certified the information contained in this report, nor do Milliman or Insurance Ireland guarantee the accuracy and completeness of such information. Further reliances and limitations are outlined in Section 7.

### 6.2 SURVEY METHODOLOGY

Data was collected from the largest PHI providers in Ireland on claims costs and member engagement with key services. Three providers—Irish Life Health, Laya, and Vhi—completed the template, while Level Health indicated that they did not have any applicable data to contribute at this point. The data collected was primarily qualitative in nature and was completed by members of the Insurance Ireland Working Group representing each participating company. All responses were aggregated at the market level to ensure confidentiality and comparability. There were some inconsistencies in how the insurers provided the data, so the figures highlighted in this report are considered to be estimates.

### 6.3 DATA SOURCES

In addition to the survey responses, we drew on a number of publicly available data sources when compiling figures presented in this report. These have been referenced throughout the report in the footnotes. Some of the key sources included:

- Interviews with senior executives from each of the health insurers and workshops with the Insurance Ireland Health Insurance Working Group
- Various HIA reports (<https://www.hia.ie/>)
- Government information (<https://www.gov.ie/en/>)

## 7 Reliances and Limitations

This report has been commissioned by Insurance Ireland and prepared by Milliman. Milliman has granted a special distribution permission of this report to relevant industry stakeholders for information purposes.

The report provides an overview of the Irish PHI market, including relevant facts, figures, commentary on available data and the views and opinions sourced from stakeholders. The information in this report is based on publicly available data sources as well as input from selected stakeholders, as outlined in the scope of work agreed upon by Milliman and Insurance Ireland.

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### CONTACT

Kevin Manning  
[kevin.v.manning@milliman.com](mailto:kevin.v.manning@milliman.com)

Sinéad Clarke  
[sinead.clarke@milliman.com](mailto:sinead.clarke@milliman.com)