



Consumer Protection Bulletin

Health Insurance

Edition 8
January 2018

The Central Bank of Ireland commenced collecting detailed consumer data from selected regulated firms in a number of sectors in 2013. This data is considered as part of an overall consumer risk analytics function, with the aim being to identify potential risks to our consumer protection objectives.

This eighth Consumer Protection Bulletin concentrates on data reported by the main health insurance companies providing health insurance to Irish consumers.

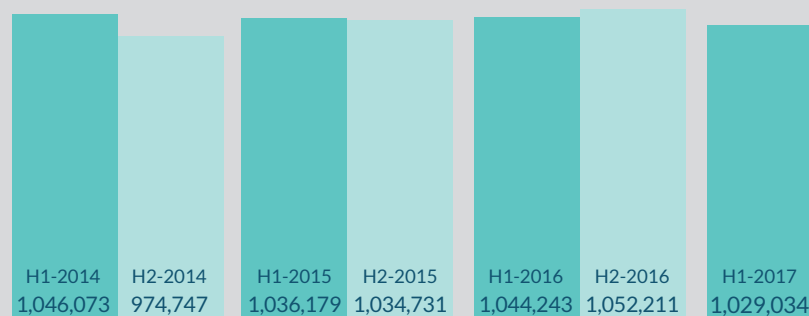
Conduct of Business Information

At the end of H1² 2017, the total number of live health insurance policies reported by the reporting health insurance companies was 1,029,034.

FIGURE 1 below shows that the number of health insurance policies held by personal consumers³ with these firms has remained steady (as reported over the period H1 2015 to H1 2017).

FIGURE 1

Numbers of health insurance policies



A total of 7,709 complaints were reported by the reporting health insurance companies for the period of H1 2017 (representing 0.75% of live policies during that period). This is lower than the comparable H1 2014 figure when complaints relating to health insurance represented 1.12% of live policies.

Key Points

In H1 2017, the companies received a total of 7,709 complaints in relation to health insurance, representing 0.75% of live policies during that period. This is lower than the comparable H1 2014 figure when complaints relating to health insurance represented 1.12% of live policies.

There were 150% more complaints per thousand policies for health insurance in H1 2017 when compared with other non-life insurance products (excluding health insurance).

Most H1 2017 health insurance complaints (48.1%) related to claims¹. This contrasts with other non-life insurance products where only 23.2% of H1 2017 complaints related to claims.

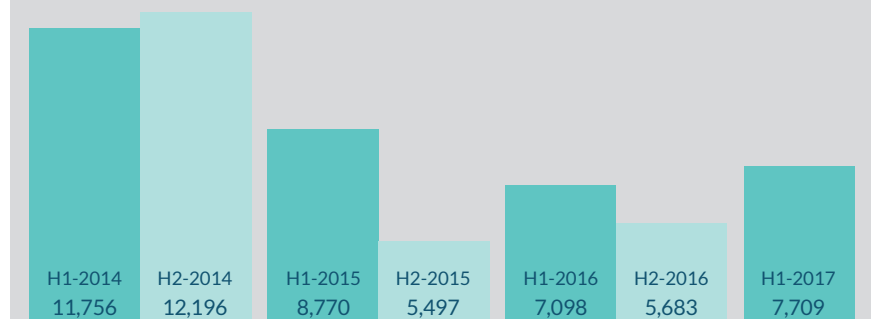
After claims, customer service was the most common complaint, at 32.7% of H1 2017 complaints.

98% of health insurance complaints were resolved within 40 business days.

It can be seen from **FIGURE 2** that, since 2015, reported complaints have been higher in H1 than H2 of each year.

FIGURE 2

Total number of complaints relating to health insurance

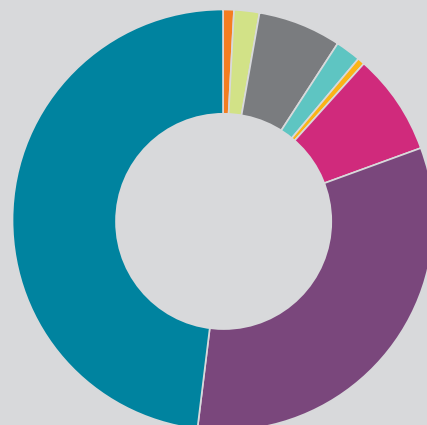


In H1 2017 98% of all complaints were resolved within forty business days. This is the timeframe prescribed by the Consumer Protection Code 2012 within which a complaint must be resolved or, if not resolved, the complainant must be informed of the anticipated timeframe for resolution. The companies reported that 5.6% of complaints (432) received during this period resulted in redress being paid. The total redress paid amounted to €223,857.

As shown in **FIGURE 3**, the single largest category of reported health insurance complaints was in relation to claims-related issues (48.1%), followed by customer service (32.7%). Of these claims-related complaints, 5.2% (192) resulted in redress being paid to consumers. The total amount of redress paid in H1 2017 for claims-related complaints was €138,290. **FIGURE 4** shows the movement in complaint types over four consecutive H1 periods.

FIGURE 3

Percentage of complaints by problem type for H1 2017



Breakdown of Health Insurance Complaints as at H1-2017

Complaint Type	Total	%
Advertising	44	0.6%
Pricing	161	2.1%
Payment direct debit issues	491	6.4%
Mis-selling	141	1.8%
Fees and commissions	45	0.6%
Documentation issues	597	7.7%
Customer service	2,521	32.7%
Claims-related	3,709	48.1%
TOTAL	7,709	100.0%

FIGURE 4

Complaints by Problem Type
H1-2014 to H1-2017

Problem Type	H1-2014	H1-2015	H1-2016	H1-2017
Advertising	34 0.3%	26 0.3%	22 0.3%	44 0.6%
Pricing	378 3.2%	618 7.0%	196 2.8%	161 2.1%
Payment direct debit issues	1026 8.7%	649 7.4%	350 4.9%	491 6.4%
Mis-selling	152 1.3%	154 1.8%	64 0.9%	141 1.8%
Fees and commissions	6 0.1%	20 0.2%	138 1.9%	45 0.6%
Documentation issues	769 6.5%	621 7.1%	652 9.2%	597 7.7%
Customer service	3962 33.7%	2735 31.2%	2083 29.4%	2521 32.7%
Claims-related	5428 46.2%	3947 45.0%	3593 50.6%	3709 48.1%

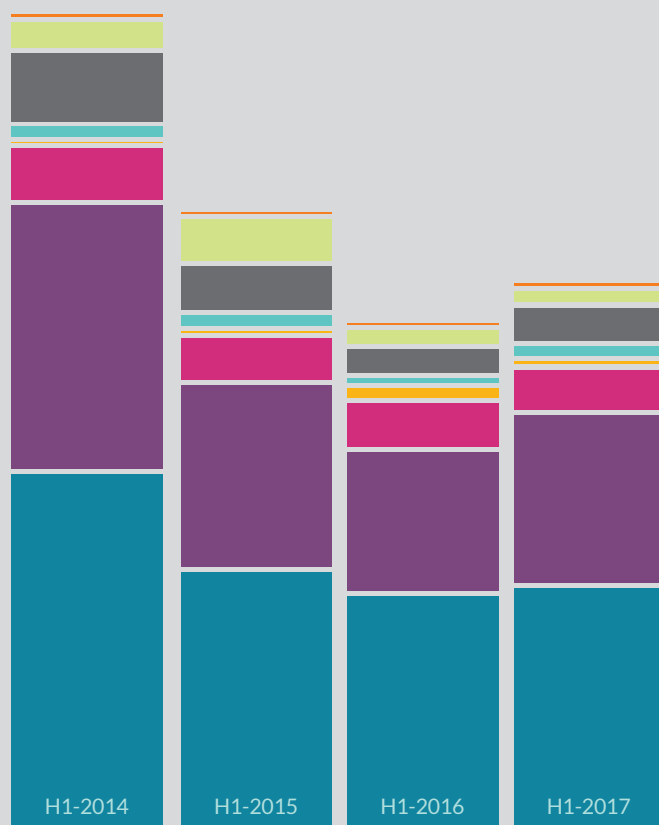


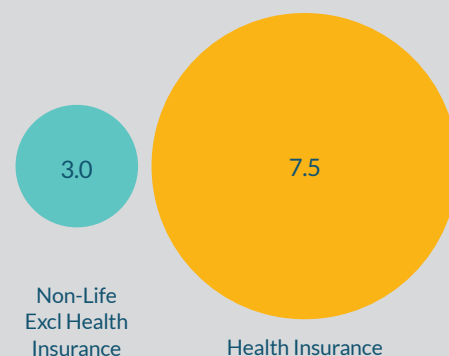
FIGURE 5 shows that, in H1 2017, there were one and a half times more complaints per thousand policies for health insurance when compared with the other non-life insurance products (excluding health insurance).

FIGURE 6 shows that although pricing comprised 45% of complaints reported in H1 2017 for other non-life insurance products, it was cited as the cause of only 2.1% of complaints in relation to health insurance. Claims-related issues were the subject of 48.1% of reported complaints in H1 2017 in relation to health insurance but, by contrast, were only responsible for 23.2% of complaints reported for other non-life insurance products in the same period.

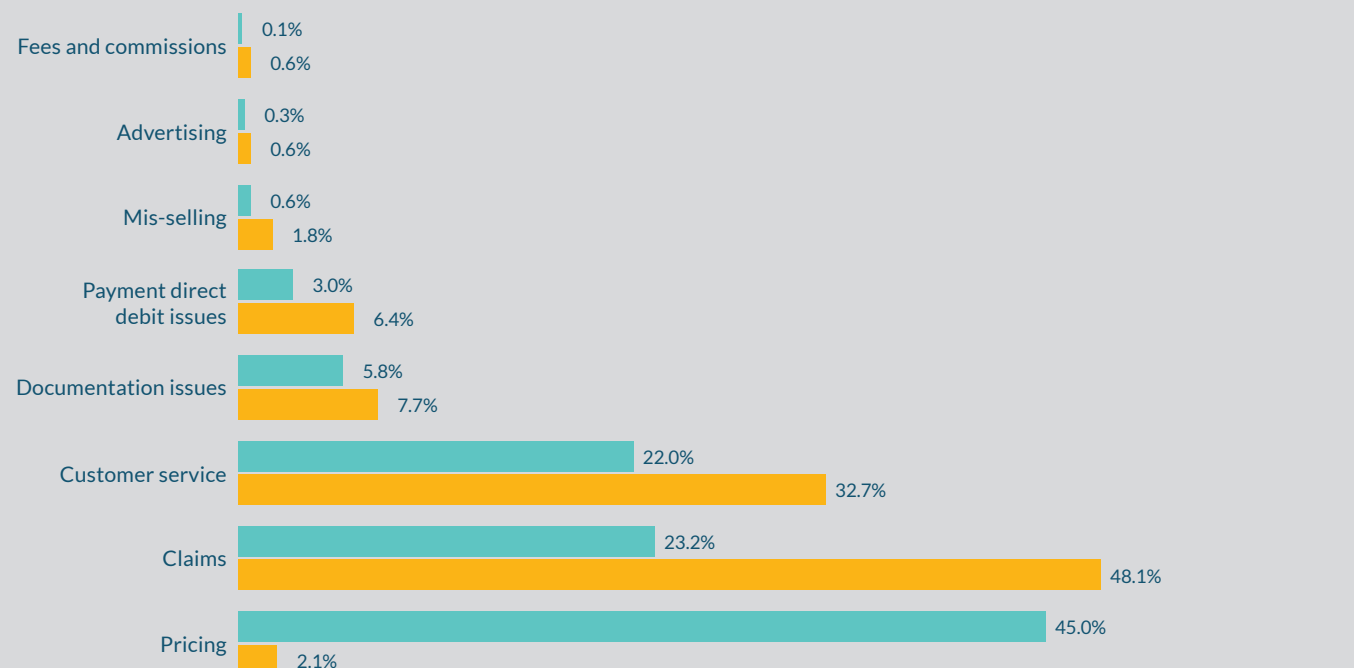
Finally, customer service was cited as the reason for 32.7% of reported health insurance complaints in H1 2017, significantly higher than for other non-life insurance products where customer service was only cited as the reason in 22% of reported complaints.

FIGURE 5

Complaints per Thousand Policies Health vs Non-Life Insurance H1 2017

**FIGURE 6**

Complaint Problem Codes by Percentage Health vs Non-Life Insurance H1 2017



H1 2017 Data

Number of health insurance policies

1,029,034

Number of health insurance complaints

7,709

Number of consumers paid redress

432

Total amount of redress paid to complainants

€223,857

Percentage of complaints resolved within 40 business days

98%

Number of consumers paid redress for claims-related complaints

192

Number of claims-related complaints reported

3,709

Total amount of redress paid to complainants for claims-related complaints

€138,290

1. Claims-related complaints include complaints relating to
i. voiding/decline of policy or terms and conditions,
ii. claim disputes, and iii. claims declined.

2. 'H1' refers to the first half of calendar year i.e. 1 January until 30 June.

3. "Personal consumer" means a consumer who is a natural person acting outside his or her business, trade or profession as provided for under the Consumer Protection Code 2012.