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## **St Pauls Garda Medical Aid Society.**

### **Changes to the Provision of Health Services.**

The Dail passed into law the **Health (Amendment) Act 2013** just before the summer recess which received little publicity or public debate which is most unfortunate as it will have a major impact on the delivery of health services and on the cost of health insurance in Ireland in the years ahead.

In summary this Act provides for two accommodation designations in Public Hospitals – **Single Occupancy Rooms** and **Multi Occupancy Rooms** and has removed the former Private and Semi Private and Public categories of accommodation. This will mean that patients in future can be allocated a semi private room or a bed in a public ward and the charge for the bed to the health insurer will be the same. The former system provided that public hospitals could only “ring fence” 20% of the public hospital beds for privately insured patients but now all beds can be classed this way if they are occupied by a person who has private health insurance.

Of far greater significance from a cost perspective will be the issue of all patients in Public Hospitals with private health insurance – their insurers will have to pay the relevant accommodation fees depending on the room they occupy. Up to now all citizens of the State had an automatic entitlement to a bed in a public hospital especially if they are admitted through the Accident and Emergency Department with the State covering the cost. In the case of “elective” procedures such as hip or knee replacement or Gardai who suffer injuries on duty - those without private health insurance are placed on the public waiting list and find themselves waiting months to years for their surgery and these changes will probably extend these waiting times further. We pay for the entitlement to a public hospital bed through our PRSI and USC deductions which are major deductions from our pay/pensions. It will be even more important from now on to hold private health insurance to ensure speedier access to urgent medical care.

The cost of this new arrangement when implemented in **full** is very difficult to calculate at this early stage – the main insurers such as VHI are talking about 20% and upwards premium increases to fund it. There are ongoing discussions with the Department of Health and Children and all interested parties with a view to phasing in these changes to ease the cost pressures on medical insurers and avoid these major subscription increases. The Committee of St Pauls Garda Medical Aid Society are continuously monitoring the potential effects which are more than likely to result in a subscription increase at renewal in July of next year which will be the first increase in four years. Whatever increase we are forced to apply will be no more than is absolutely necessary to ensure the ongoing ability of the Society to cover our member’s medical treatment bills. The Society will keep you posted on developments as they arise in this area.

### **Consultant and G P Consultation Fees.**

The Society provides a contribution of 65% of the cost to a maximum of €80 towards a consultation fee with a treating Consultant with no limit on the number of visits in any year. (All other insurers pay €51 with a strict limit on the number of visits covered). In 2012 the Society paid just under €4 million to our members in respect of this benefit. An analysis of the figures indicates that the average fee charged per consultation is €135.60 with some Consultants charging fees of a reasonable €100 and a sizeable number charging from €150 to €200. Some are charging up to an incredible €350 per consultation. Most of the consultations are an average of 15 minutes duration and it is difficult by any criteria to justify this

level of recompense for their services and expertise and is in addition to procedure fees that arise if surgery is required at a later stage. Some Consultants charge their initial fee and a reduced review fee for second or post surgery reviews but many Consultants charge the initial fee for every visit.

The Committee of the Society have communicated our concerns regarding these exorbitant fees to the Irish Hospital Consultants Association (IHCA) urging them to remind their members of the difficult economic circumstances of the general public and to apply a substantial reduction in their fees. The Committee are also urging you the general membership to negotiate with the Consultants when you are booking an appointment and when they are recalling you for a review appointment – we have anecdotal evidence from our members that many Consultants will reduce their fees if and when a case is put to them so we ask you to consider this approach to save yourself some money. It costs nothing to ask and the worst possible outcome is a refusal to reduce the fee.

Similarly with your GP fees – patients should not be reluctant to request a reduction in the fee if it is above the average which is currently €40 per visit. Some GP's fees are as low as €25 and some are charging an incredible €65 per visit. Many GP's have reduced fees when asked. The Society pays €35 per GP visit irrespective of the amount charged and for up to 50 visits per annum. We have written to the Irish Medical Organisation (IMO) highlighting the major discrepancies in fees charged and requested them to raise this issue with their members. Again, it costs nothing to ask.

#### **Drugs on Prescription.**

This is another area where there are major discrepancies in the charges for the various commonly used drugs between different pharmacies in the same town or areas of cities. It would be an impossible task for the Society to highlight these differences as there are hundreds of pharmacies and thousands of different drug products. However, if you have a regular drugs bill, you could achieve a substantial saving by checking prices in all pharmacies in your own area and raising the discrepancy with your own pharmacist or change your business to the one offering the best value. You could also discuss with your GP the possibility of him/her prescribing Generic Drugs which are much cheaper than the branded variety and again achieve a saving.

#### **Cheque Payments to Members**

A very small number of members are still receiving their benefit payments by cheque which costs the Society €1.50 per payment including postage as compared to a cost of **7cents** when paid electronically into your bank or credit union account. You have access to your funds immediately and avoid visiting your bank to lodge the cheque and pay the bank fee for the lodgement.

**In order to reduce costs, the Committee have decided that cheque payments will be made on one occasion per month commencing on 1<sup>st</sup> September 2013 as compared to electronic payments on 4 occasions per month.** To avoid waiting a month for your benefit payment, you are requested to sign up for electronic payments by providing your Bank or Credit Union Account Number and Sort Code – you can do this when submitting your next claim in the relevant section of the Members Claim Form. We look forward to your co-operation with this initiative to reduce costs and receive earlier payment of your claims.

#### **Holiday Insurance**

The Society's licence confines us to providing Health Insurance Cover in Ireland and precludes us from selling Travel/Holiday Insurance for travel abroad. You are very strongly advised to always purchase holiday insurance before travelling abroad. **When doing so it is most important that you inform the provider that your medical insurance with the Society does not provide any cover for medical emergencies or any medical treatment while on holidays abroad** and they will then be in a position to sell you the correct insurance to cover all eventualities while on your trip. Also, don't forget to disclose to them any "pre existing medical condition" to avoid any disputes in the event of you having a claim. If travelling within the EU, you are advised to apply for a European Health Insurance Card (EHIC) from your local HSE office.

John Fahy  
Secretary