

EU law and private health insurance: changes and challenges

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What are the challenges?

changes in EU law

changes in private health insurance

legal uncertainty



EU law: implications for regulation

- liberalisation
- solvency standards
- no price or product controls
- no differential treatment of insurers
- limits to national **non-financial** regulation?



General good measures

- open enrolment, community rating, lifetime cover
- standardised benefits packages
- risk equalisation among insurers

- but only if private insurance is a “**partial or complete alternative**” to statutory insurance

What role for private insurance?

PHI covers	PHI role	Examples
People excluded or allowed to opt out	Substitutive	Germany
Excluded services	Complementary (services)	Netherlands
Statutory user charges	Complementary (user charges)	France, Slovenia
Faster access and consumer choice	Supplementary	Ireland, UK

Does risk equalisation contravene EU law?

- needed to correct **market failures** and ensure **access** to private insurance
- **yes** (BUPA Ireland, state aid)
- **no** (ECJ, services of general economic interest)
- Slovenia? Netherlands?



Does differential treatment contravene EU law?

- affects countries with **mutuals**
- solvency margins
- tax treatment
- **yes** (ECJ, insurance directives, state aid)



Conclusions

- does EU law limit national competence?
- is it sufficient to protect consumers?

- single market goals not achieved
- legal uncertainty persists
- insurance directives reflect the norms of the early 1990s