

Dear Member,

*The Prison Officers' Medical Aid Society has a unique and privileged place in the Health Insurance Market in Ireland.*

*However hospital claim costs have risen in excess of 12.5% in 2015 with the major upward driver of costs, predominantly driven by public hospitals now charging private fees for public beds/public day ward charges arising from the Health (Amendment) Act 2013. This resulted in patients with private Health Insurance paying the bed fee of €813 a night irrespective of the bed being in a public ward or a semi private room. Similar and larger increases have been experienced by all Health Insurers across the market.*

*Over the past number of months, the Management of the Society has been engaged in a review of benefits and subscription rates to apply in 2016 to continue to maintain the Society on a sound financial footing. We will continue to provide an extensive range of outpatient benefits, access to all public hospitals together with an extensive list of private hospitals that includes the High Tech Hospitals **without any excess** been charged for in-patient care. It is important to note that the **only increase** to premiums in the last 2 years was to compensate of the loss of tax relief (TRS) and even then the Society did not impose the full price increase.*

#### **BENEFIT CHANGE**

*The Committee decided to retain the current full benefit range with access to the High Tech Hospitals **without any change** except for a reduction in the monthly rebate of prescriptive drugs **from €80 to €60 per month.***

*This change was made in view of the following extensive research:-*

- (i) We are unique in providing a rebate on Prescriptive Drugs – In comparison to all other Insurers in the market VHI LAYA AVIVA GLO – none of them reimburse their members for this cost with the exception of one plan that offers a very minimal refund.*
- (ii) We examined in detail the claims experience of our membership and 65% of our SERVING Membership and 45% of our Retired Membership are unaffected by this change.*
- (iii) Drug prices will come down further in 2016 with a new agreement been negotiated.*
- (iv) We continue to give back up to €720 a year of a member's premium in this benefit.*
- (v) In 2015 we will **give back €1.25 million in this benefit alone** and we hope to achieve savings of €175,000 in this area in 2016.*

### **PREMIUM INCREASE**

- (i) A minimum increase of €1 per week, this equates **only to a 3.5%** increase to be applied to the Adult rate in 2016.
- (ii) There will be no change to the children rates which means that POMAS family packages are better than any Half Price offers in the market place .....
- (iii) Young Adults in the age range 18 to 21 will continue to be considered as children which are an exceptional offer to families with children in this range.
- (iv) Young Adults in the range 21+ will continue to enjoy the Discretionary Discounts with minor changes at the 24 & 25 age group to comply with legislation.
- (v) Removal of the 10% discount to our retired members that are over 70 based on the claims experience associated with this age grouping presently and external advice.

*The POMAS policy compares extremely favourably with other plans in the market that are approximately up to 30% more expensive. In many plans in the market there are restrictions in access to hospitals such as the Beacon, Sports Surgery Clinic Santry, Galway Clinic and excesses across other private hospitals. Other Plans within VHI LAYA AVIVA or GLO have practically no out-patient cover across Optical, Dental, Drugs, Doctors, whereas the Society still continues to provide a generous benefit in these areas. It is important when comparing to look at the detail and remember **this Health Insurance Scheme is not about making profit for Investors – the only investment that POMAS considers is “Investing in Current & Future Health Need of you the members”.***

*At this time we are delighted to report that the Society enjoys its highest membership numbers for the past number of years following various drives to increase the membership base during the year.*

*We enclose notice of our AGM 2016 which will take place in the Red Cow Moran’s Hotel on the 18<sup>th</sup> of March 2016.*

*On behalf of the Staff & Committee of the Prison Officers’ Medical Aid Society, I would like to wish you and your families a prosperous and healthy new year for 2016.*

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PETER G BRACKEN  
SECRETARY