

VHI set to increase premiums on corporate plans

By Dick O'Brien

VHI Healthcare is planning to increase premiums on corporate plans within weeks, after announcing significant increases for private customers last week.

In a memo sent to corporate clients last week, the health insurer said it anticipated an increase to its company plans to be confirmed later this month. "The increase will be effective for businesses renewing and new members joining from March 1 onwards," it said.

A spokeswoman for VHI

confirmed that such an increase was scheduled to take place, although no decision had been made yet on the level of increases.

Insurance brokers have reported receiving a flood of calls from customers after last week's announcement was made as many sought to find a

better health insurance option before their renewal date. It appears that Aviva may be the big winner from the move, since several brokers said that consumers were reluctant to switch to Quinn Healthcare because the company is currently in administration.

Jeremy Tucker, the mana-

ging director of insurance intermediary Tailored Finance, said that he had received over 100 calls in the day after VHI announced that its premiums would increase by between 15 and 45 per cent. "A lot of them are very upset with this and want to know what their options are," he said. "VHI are ef-

fectively pricing people out of the market for their best plans, namely plans B, C, D and E."

Joanne Stackpoole of Goggin Insurance Brokers said that the firm had been extremely busy since the VHI announcement. "Older people in particular are very worried," she said. "Previously the level of

cover was always a priority for them, but now price has become their chief concern."

Gary Ellison, managing director of Ellison Financial Consultants said his firm had received a lot of enquiries. "Clients are absolutely disgusted with increases of up to 45 per cent," he said.