

# THE SOCIETY OF ACTUARIES IN IRELAND

## Press Release

12 February 2008

### Community-Rated Health Insurance System Requires Risk Equalisation

The Society of Actuaries in Ireland today reiterated its long-standing position that a community-rated health insurance system requires risk equalisation.

“Risk equalisation goes hand in hand with community rating in an open insurance market. Even if there were a much greater number of insurers operating in the market, or if VHI’s current business was divided between a number of insurers, risk equalisation would still be required as it is unlikely that all insurers would have similar risk profiles.”

Report of Society of Actuaries in Ireland working group on risk equalisation, 2002:

[http://www.actuaries.ie/Events%20and%20Papers/Events%202002/2002-05-01\\_Risk%20Equalisation/Risk\\_Equalisation\\_WP\\_Report\\_2002.pdf](http://www.actuaries.ie/Events%20and%20Papers/Events%202002/2002-05-01_Risk%20Equalisation/Risk_Equalisation_WP_Report_2002.pdf)

## Ends

Ms Aisling Kennedy (086 827 4075) from the Society of Actuaries is available to provide any clarifications required.

*The Society of Actuaries in Ireland is the professional body for actuaries practising in Ireland. Actuaries provide advice and relevant solutions for financial, business and societal issues involving uncertain future events. Most of the Society's members work in the financial services industry, and the profession has a statutory role relating to the supervision of pension schemes and insurance companies.*

*The Society seeks to make an impartial contribution to public debate on social policy and public interest matters where an actuarial perspective can add value.*

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