

**Limited Consultation on Minimum Competency Requirements  
for Private Medical Insurance**

**Question 1**

***Do you think there are any special considerations that should be taken into account in the case of individuals grandfathered for life assurance who wish to deal with private medical insurance? If so, what are they?***

**Response:**

Yes we believe there are key considerations that apply in the case of individuals grandfathered for life assurance who wish to deal with private medical insurance.

We have a concern regarding the level of PMI expertise of intermediaries (who are not part of a Group which includes a PMI Provider), their access to PMI information and as a consequence their ability to keep this knowledge updated.

In essence these key consideration points are:

- These individuals are not actively integrated into the Health Insurance Market
- As an intermediary, they do not have direct access to in-house PMI expertise
- They do not have direct access to consistent PMI specific product, service and market updates
- They are dealing with significantly less volumes of PMI business than a PMI Provider, and this can lead to difficulties with comprehension & retention of the product/market information.

Therefore, we recommend a solution to these considerations in Question 4.

**Question 2**

***Do similar or other considerations apply in the case of individuals grandfathered for other forms on non-life insurance?***

**Response:**

Yes there are key considerations in the case of individuals grandfathered for non-life insurance who wish to deal with private medical insurance.

Where these individuals are Intermediaries (who are not part of a Group which includes a PMI Provider), these considerations are similar to our response to Question 1.

However where an individual is grandfathered for non-life insurance, but is working within an insurance group that is also a PMI Provider, we feel the above considerations do not apply.

The reason for the differentiation is as follows:

- These Individuals are part of a group that possess direct expertise of the Health Insurance Market because they are also a PMI Provider.
- This means that they have constant in-house support and expertise, including ongoing product, legislation, regulatory and market training, expert daily/weekly qualitative reviews etc
- Providing sales information and customer service on a daily basis to members allows for constant development of knowledge & expertise

Please see our response in Question 4 as a solution to these cases.

### **Question 3**

**Should different criteria apply for grandfathering in relation to private medical insurance? If so, please set out the relevant criteria.**

#### **Response:**

While the current structure is applicable and agreeable to PMI Provider-based Grandfathered individuals, we do feel that Intermediaries, who are grandfathered in Life Assurance and/or Non-Life, need to have different CPD criteria applied in order to ensure that consumers are receiving quality advice from appropriately trained professionals. Due to the reduced volume of PMI business that Intermediaries (who are not part of a Group which includes a PMI Provider) deal with, we feel that there is a danger of the information being lost and not being up to date. Therefore we feel the following CPD requirement should apply in the case of Intermediaries:

- 75 hours over a 3 year cycle, of which 55 hours must be formal CPD and 20 hours of either formal or informal activities.
- Minimum hours to be completed each year should be 20 of which 15 must be formal.

We feel that a fundamental element to the success of this is a review of the current CPD provision to include more PMI related material:

- o We have found that completing E-Sessions on the Insurance Institute of Ireland's website are the most popular means of completing formal CPD hours. However, these e-sessions are currently all based on general insurance material – we suggest that there are specific e-sessions provided on PMI material
- o E-Sessions should be updated annually to ensure that members are reviewing updated material and are not examined on the same questions to the previous year
- o Inclusion of CPD tutorials that are PMI specific and making these available

### **Question 4**

**What qualification(s) do you think are appropriate for individuals**

- 1) grandfathered for life assurance or**
- 2) grandfathered for other forms of non-life insurance**

**who wish to provide services in relation to private medical insurance?**

#### **Response:**

##### **1) Grandfathered for Life Assurance:**

- a) If the individual holds a QFA qualification, they need to complete as a minimum requirement the Diploma in Private Medical Insurance (4 modules)
- b) If Grandfathered and do not hold a QFA qualification, the minimum requirement should be the CIP General (2009 version, which includes PMI material – 6 modules)

##### **2) Grandfathered for other forms of non-life insurance:**

- a) Grandfathered Individuals who are not part of a Group which includes a PMI Provider: The minimum requirement should be the Diploma in Private Medical Insurance (4 modules).
- b) Individuals who are part of a Group which includes a PMI Provider - we strongly feel that there are 2 categories of people i.e. (i) qualified and (ii) grandfathered individuals who are part of a Group which includes a PMI Provider, where access to appropriate qualifications is required in this area currently:

##### (i) Qualified Individuals who are part of a Group which includes a PMI Provider:

If the individual has previously completed the CIP Diploma (i.e. the version prior to 2009, as this did not include PMI material) we recommend a one module PMI course (similar to the General Insurance Bridge Examination). We proposed that this module comprises of an overview of market, legislation and underwriting.

##### (ii) Grandfathered Individuals who are part of a Group which includes a PMI Provider:

We recommend a one-module PMI course (similar to the General Insurance Bridge Examination). We propose that this module comprises of an overview of market, legislation and underwriting.