



David Allen, co-founder of Letsbuyhealthcare: 'There's nothing like this out there'

Fergal Phillips

New healthcare co-op offers first ever 'in-between' option

In Ireland, more than a million people have neither private health insurance nor access to a medical card.

A new Irish company is aiming to address the issue with a co-operative, non-profit membership model that allows people to buy €50 "healthcare coins" which they can then use to fund their own private healthcare.

Letsbuyhealthcare was set up by David Allen, formerly the director of Ireland's National Treatment Purchase Fund, and John Looney, a former director with VHI. It has been in development for more than four years and formally launched at the beginning of November.

The firm operates an online portal in which individuals can build up funds to pay for health insurance. Rather than paying insurance premiums, users of Letsbuyhealthcare control how much they invest in their own healthcare.

There are no conditions to

joining and any net investment gains on the overall fund will be redistributed back to the members in the form of more healthcare coin vouchers.

"The customer is not charged anything by Letsbuyhealthcare - their vouchers are used only to pay for their treatments, if they need them," Allen said. "People are surprised by that, but it's the way we set it up."

As well as individuals, Letsbuyhealthcare is also attempting to sell its coins to employers, who can buy them on behalf of staff in a similar way to One4All vouchers as a Christmas bonus.

"Employers can buy healthcare coin vouchers of up to €500 a year per employee, and they get a tax break for doing it," Allen said.

"So there's a financial incentive for employers to use our service as well as for individuals. And that's one of the things that differentiates us from a DIY fund, or a fund you build in your credit union

- your employer can add to your fund."

Letsbuyhealthcare plans to make its profits through commercial arrangements with hospitals, GPs and other medical practitioners. It charges them a commission for negotiating a price for customers whom they sign up through the Letsbuyhealthcare portal.

Allen said Letsbuyhealthcare could keep the cost low for its customers by shopping around in the private hospital

sector for best value.

"Our commercial customers really like our business model," Allen said.

"What they typically do is they roll our commission into the price they advertise to clients on our website. And it's only charged to them when a booking occurs through the site. So effectively they get free marketing of the service they want to promote, but they don't pay a fee until they get a booking."

The firm is backed by IIP Pension Trustees, an actuarial and investment firm that forms part of the Irish Life Group. It has had enquiries from medical practitioners in the US, Scotland, Portugal and Poland, among other markets.

"People are asking, 'what the hell is this thing?'" Allen said.

"There's nothing like this out there. Globally, healthcare is usually either provided either by the state or by healthcare companies - there's nothing in between. But we're that in-between."

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