



Relate

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policy and legislation in Ireland

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Medical cards

This issue describes the rules that apply to the granting of medical cards and includes information on how income is assessed and how hardship is assessed. It also looks at how decisions are made and gives information on the numbers and costs of medical cards.

Introduction

The number of people who are covered by medical cards has increased steadily over recent years. At the same time, some people have not had their medical cards renewed. A uniform centralised system of assessing entitlement has been put in place. Previously, entitlement was assessed locally and the method of assessment and review processes varied from one area to another.

Here we look at who is entitled to get a medical card and the procedures for assessing and reviewing entitlement.

Entitlement to a medical card

You may be entitled to a medical card if you are ordinarily resident in Ireland. Entitlement is decided by the Health Service Executive (HSE) and is mainly based on legislation. If you do not qualify for a medical card you may get a GP Visit Card. This is also based on legislation.

The legislation governing the award of medical cards does not mention the phrase *medical cards*. Instead, it describes people who have *full eligibility* for health services.

The main legislation on entitlement to medical cards is Section 45 of the *Health Act 1970*. This has been amended a number of times. Entitlement to a GP Visit

Card is governed by Section 58 of the *Health Act 1970* (as amended by the *Health (Amendment) Act 2005*). Other people have an entitlement to a medical card arising from other pieces of legislation while some have an entitlement as a result of government decisions – see *Other people with medical card entitlements* on page 6. Here we are mainly concerned with entitlement on the basis of Section 45 and Section 58.

The legislation provides that you are entitled to a medical card if you are “unable without undue hardship to arrange general practitioner medical and surgical services” for yourself and your dependants. When deciding whether or not you meet this condition, the HSE must look at your “overall financial situation” (including your own means and that of your spouse) in view of your “reasonable expenditure” in relation to yourself, your spouse and your dependants.

If you are aged 70 or over, you are entitled to a medical card or a GP Visit Card based on your gross income but you may be assessed in the same way as people aged under 70 if it would be to your advantage – see *How income is assessed* on Page 3.

You are entitled to a GP Visit Card if it would be “unduly burdensome” for you to provide GP services for yourself and your dependants. “Undue hardship” and “unduly burdensome” do not seem to have significantly different meanings.

The legislation clearly provides that both your income and your expenditure must be taken into account. In particular, your expenditure on medical services is relevant to your entitlement as it is a significant factor in whether or not you can arrange services for yourself and your dependants without undue hardship.

The HSE has income guidelines for the award of medical cards and GP Visit Cards. These are guidelines, not absolute limits. If your assessed income is less than the guideline for your circumstances, you get a medical card. If your income is above the relevant guideline, your medical and social circumstances are taken into account to establish whether undue hardship would occur if you did not get a card.

If you do not qualify for a medical card, you are then assessed for a GP Visit Card. The income guidelines are about 50% higher than those for a medical card. The method of assessment is the same as for a medical card. If your income is above the guidelines for a GP Visit Card, again your circumstances are taken into account to see if it would be unduly burdensome for you to have to meet the GP costs yourself.

There is no difference between medical cards (or GP Visit cards) awarded purely on the basis of income being below the guidelines and medical cards awarded after an assessment of undue hardship. Sometimes the latter are described as *discretionary* medical cards but this is misleading as people are entitled to them because they meet the legislative criteria. The Minister of State at the Department of Health has said that “there is no such entity as a discretionary medical card... discretion is not a stand-alone exercise but has been and remains, an integral part of the assessment process for a medical card”.

There is no legislative basis for granting medical cards to people as part of the policy of allowing retention of secondary benefits when they return to work or take up certain schemes. See *Retention of medical cards* on Page 6.

Services covered

The main services to which medical card holders are entitled free of charge are:

- GP/family doctor services
- Approved prescribed drugs and medicines (subject to prescription charges – see below)
- Inpatient maintenance and treatment in public beds in public hospitals
- Outpatient services in public hospitals
- Medical services for mothers and infants
- Some dental, ophthalmic and aural services
- Some community care services

A GP Visit Card entitles you to the services of your family doctor free of charge.

Prescription charges

Medical card holders are entitled to get authorised prescribed drugs and medicines free of charge. However, they do have to pay a prescription charge which is currently €2.50 for each item prescribed subject to a maximum of €25 a month for an individual or a family.

Numbers and costs of medical cards

The number of people who hold medical cards has been increasing steadily over the past ten years, both in absolute terms and as a percentage of the population. At the end of 2003, there were 1,152,908 holders of medical cards (about 29% of the population); this had risen to 1,849,380 (about 40% of the population) on 1 January 2014. It is expected that an additional 60,000 cards will be granted in 2014. There were approximately 128,000 holders of GP Visit Cards in 2013; this

is expected to rise to 402,000 in 2014, mainly as a result of the granting of GP Visit Cards to all children aged five and under. (It is proposed to extend entitlement to free GP services to this group later this year. The necessary legislation has not yet been published.)

Payments to doctors and pharmacists

The payments to doctors for caring for medical card patients vary in accordance with the age, sex and circumstances of the patient. The detailed payments are set out in SI 277/2013 and SI 278/2013.

Doctors are paid on what is known as a *capitation* basis. This means that they get an annual payment in respect of each patient regardless of how many times the patient is seen. There are a range of other payments including out-of-hours payments and payments for home visits. There are some services for which a specific fee is also paid, for example, the administration of certain vaccines. Doctors may also get payments for practice support staff and there is a rural practice allowance.

The capitation payment ranges from €43.29 for a boy aged between 5-16 to €434.15 for a person aged 70 or over living in a private nursing home. Examples of other payments are:

- €271.62 in respect of a person aged 70 or over living in the community
- €110.38 in respect of a man aged between 45 and 65
- €121.29 in respect of a woman aged between 45 and 65

Pharmacists are paid the cost of the prescribed drugs and medicines (or the interchangeable equivalent) plus a dispensing fee.

Overall costs

The Comptroller and Auditor General's *Report on the accounts of the public services 2012* (published September 2013) includes an analysis of the administration and costs of medical cards. Website: audgen.gov.ie.

The costs of the services of doctors and pharmacists under the medical card scheme have risen from €823 million in 2002 to just over €1.7 billion in 2012. Payments to doctors rose from €272 million to about €400 million and payments to pharmacists rose from €551 million in 2002 to €1.3 billion in 2012. The average cost of the services for each person covered was at its greatest in 2008 and has been reducing since – from €1,285 in 2008 to just over €1,000 in 2012. The proposal to provide free GP services to children aged five and under is estimated to cost €37 million a year.

The detailed payments made are available from pcrs.ie.

Medical card holders are entitled to other services free of charge but it is difficult to assess the precise costs of those services as they are also available to other groups.

Central decisions

Up to June 2011, medical cards were issued by the Local Health Offices of the HSE (prior to 2005, these were called the community care offices of the health boards). There were about 100 such offices. A centralised system was introduced from 1 July 2011 and all medical cards are now issued by the Primary Care Reimbursement Service (PCRS) of the HSE.

The centralised system was introduced because the HSE recognised that there were inconsistencies between the local offices in their application of the rules. There were also variations in the review procedures. Some people had been granted medical cards for very long periods – up to 20 years in some cases. The centralised system means that there is one assessment system that applies to all applicants. When the centralised system was first introduced, there were significant delays in processing applications. The delays were gradually reduced during 2012/13 and the HSE says that the vast majority of applications are now dealt with within 15 days.

Reviews of eligibility that have been conducted by the PCRS have resulted in some people not having their medical cards renewed.

The detailed rules about the assessment of income and the other considerations in granting a medical card or GP visit card are available at: hse.ie/eng/services/list/1/schemes/mc/forms/assessmentguidelines.pdf.

How income is assessed

The income guidelines vary with age, status and number of dependants. When assessing the entitlement of people aged 70 and over, gross income is used and there are no allowances or expenses considered. However, if you fail to qualify for a medical card on that basis and you have significant medical expenses, for example nursing home costs, your entitlement can be assessed on the usual means-tested or undue hardship basis.

Current medical card income guidelines (GP Visit Card in brackets)

Category	Age: under 66	Age: 66-69	Age: 70+
Single person living alone	€184 (€276)	€201.50 (€302)	€500 (€700)
Single person living with family	€164 (€246)	€173.50 (€260)	€500 (€700)
Spouses, civil partners, cohabiting couples (and single parents if under 70)	€266.50 (€400)	€298 (€447)	€900 (€1,400)
Allowance for each of the first two children under 16	€38 (€57)	€38 (€57)	-
Allowance for third and subsequent children under 16	€41 (€61.50)	€41 (€61.50)	-
Allowance for each of the first two children over 16	€39 (€58.50)	€39 (€58.50)	-
Allowance for third and subsequent children over 16	€42.50 (€64)	€42.50 (€64)	-
Allowance for a dependant over 16 who is in full-time third-level education and not grant-aided	€78 (€117)	€78 (€117)	-

If your spouse or partner is a medical card holder, you can keep the medical card for three years after their death if you are over 70 and your income is less than €900. After that, the income limit for a single person of €500 applies.

In the case of people aged under 70, your income and that of your spouse or partner from virtually all sources, including most weekly welfare payments, is taken into account.

If your only weekly income is a social welfare payment, you get a medical card even if that income is greater than the guideline for your circumstances.

The following are the main sources of income that are not assessed:

- Child-related payments such as Child Benefit, Domiciliary Care Allowance, FIS, payments to guardians and foster parents
- Disability-related payments such as Mobility Allowance, Blind Welfare Allowance, Carer's Allowance; earnings from rehabilitative employment (up to €120 a week); Rehabilitation Maintenance Allowance

- Supplementary social welfare payments such as SWA supplements (for example, Rent Supplement); Free Fuel Allowance; Living Alone Allowance; Island Allowance; Over 80 Allowance
- Third-level maintenance grants

You need documentary evidence of your income and outgoings. Self-employed people need documentation from Revenue with information about their non-taxable as well as their taxable income or a statement from Revenue that they are not liable to make tax returns.

Tax, PRSI and the USC are then deducted from your gross income. You may then be able to claim some of the following expenses:

- Rent or mortgage payments
- Childcare costs
- Travel to work costs

You must have documentary evidence of the expenses incurred.

Rent or mortgage

Your rent is taken into account if it is appropriate, that is, the amount is in accordance with market rates for the area and the accommodation is appropriate for your family (broadly the same considerations as apply to the payment of Rent Supplement by the Department of Social Protection).

The full costs of a mortgage on your principal private residence (interest and capital) are taken into account and so also are the costs of your mortgage protection insurance and fire and contents insurance. If you have a mortgage on a second property, for example, a holiday home, that is also taken into account but the value of the property is assessed as capital – see below.

Payments of a home improvement loan are not taken into account (they were up until April 2013).

Childcare costs

Documented childcare costs are taken into account provided that they are necessarily incurred in taking up or continuing employment, education or training and in providing family supports. The costs must be reasonable – that is, in accordance with local rates and related to the age of the child and the type of care required.

Travel to work costs

The costs of travelling to work are taken into account. This can be the full cost of public transport to and from work. If public transport is not available or does not suit, the reasonable costs of travelling by car are allowed. This means you are allowed 18 cent a kilometre (30 cent a mile) to cover running costs. Parking costs may also be taken into account. Your contribution towards a shared or pooled transport arrangement may be taken into account. Prior to April 2013, there was a standard allowance of €50 a week in relation to travel to work costs but since then, only actual costs are taken into account.

Savings, investments and property

Your savings and property (other than your family home) are also taken into account. The first €36,000 of savings/investments/capital value of property in the case of a single person and the first €72,000 in the case of a couple is disregarded. After that, the notional income may be assessed as follows:

- The next €10,000 is assessed at €1 a week for each €1,000
- The next €10,000 is assessed at €2 a week for each €1,000
- The rest is assessed at €4 a week for each €1,000

If you have property that is leased, the income less outgoings is taken into account. Other property may be assessed using a notional rent calculated in accordance with the going rates for rents in the area or it may be assessed as capital – in the same way as savings. If you are aged over 70, income from property is only assessed if the property is generating a rental income. Certain compensation payments made by the State are not assessed at all. These include Hepatitis C and HIV compensation awards and residential institutions redress awards.

Assessing hardship

If your income is above the guideline figure for your circumstances, you may still be able to qualify if you can show "undue hardship". Medical cards awarded in these circumstances are sometimes inaccurately called discretionary medical cards but they are not in any way different from other medical cards.

The HSE takes a number of factors into account when deciding whether or not to grant a medical card if your income is above the guidelines. It examines whether meeting the costs of the services covered by a medical card compromises your or your family's ability to meet the essential costs associated with:

- Maintenance of employment
- Provision of reasonable housing
- Provision of appropriate nurturing and care for children or dependants
- Provision of adequate heating, nutrition and clothing, or
- Coping with exceptional personal and financial burdens arising from medical or social circumstances

In doing this, the HSE takes into account:

- Illness or medical circumstances that result in financial hardship
- Addictions such as drink, drugs and gambling
- The cost to you of providing general medical and surgical services; medical, nursing and dental treatment; physiotherapy; speech and language therapy; transport to hospitals and clinics; and medical aids and appliances
- Poor money management and social deprivation, including poor home management

The HSE may, with your consent, consult your doctor, social worker or other relevant person to establish your circumstances.

As a result of this assessment, you may be awarded a medical card to cover all your family or to cover one member. For example, if the extra costs you are incurring relate to one member of the family, the medical card may be granted to

that person. It is possible for some members of a family to have a medical card while others have a GP Visit Card or for some members to have a medical card while others have no card.

In practice, the vast majority of medical cards are granted to applicants whose income is below the guideline. Of the over 1.8 million medical cards in circulation on 1 January 2014, just over 50,000 were awarded to people with incomes above the guideline figure. Nearly 26,000 GP Visit Cards had been granted to people over the guideline figure.

People aged 16-25

In general, you are regarded as an adult for the purposes of health services from the age of 16. However, if you are aged between 16 and 25 you may be treated as a dependant of your parents for the purposes of a medical card.

If your parents do not have a medical card you may get one only if you can show that you are financially independent of your parents and you meet the means test or undue hardship requirements. The HSE guidelines say that you are considered to be financially independent if you have an income equal to or greater than the current medical card income guideline for a single person living with family.

Emergency medical cards

An emergency medical card may be issued if you are:

- Terminally ill and in palliative care
- A homeless person in need of urgent medical care
- A person with a serious medical condition in need of urgent medical care
- A foster child in need of urgent medical care
- An asylum seeker with a serious medical condition in need of urgent medical care

In these circumstances, a medical card valid for six months can be issued within 24 hours of a doctor's report being made to the HSE.

Terminally ill people are not subject to a means test. Emergency cards are given to the other groups on the basis that they will follow up with a full application. At that stage, the normal process of assessment usually applies but children who are placed in foster care by the Child and Family Agency get medical cards regardless of the means of their foster parents.

Reviews

The usual duration of a medical card is three years for people aged under 66 and four years for people aged 66 and

over. However, the card may be issued for a shorter period depending on the circumstances; the minimum for non-emergency cards is usually one year.

Medical cards have an expiry date printed on them. The HSE may review entitlement to a medical card at any time but the usual practice is that the HSE writes to you three months before the expiry date looking for information on your current circumstances in order to establish if your card should be renewed. In some cases, self-assessment applies while in others you may be asked for detailed documentation.

If you do not reply to the HSE's request, your card is not renewed. You should provide the required information at least one month before the expiry date on your card. If there are issues arising and the review is not finished at the expiry date, the card is extended for a limited period. When the review is completed, the card is renewed if you remain eligible and is not renewed if you are not eligible.

Your doctor is also told three months in advance of the expiry date and is reminded subsequently. In certain circumstances, doctors have the capacity to electronically allow temporary extensions of medical cards that are due to expire. They may also add newborn babies to existing medical cards.

You have the right to appeal a decision. If you do appeal, you retain the medical card until the appeal decision is made.

Random audits of eligibility are also undertaken from time to time. The HSE plans to conduct reviews of eligibility in relation to approximately one million cards in 2014. Random checks are also carried out to ensure that medical card holders continue to be ordinarily resident – about 10,000 letters are sent out every month checking on this.

Other people with medical card entitlements

The majority of medical cards are awarded on the basis of the means test or hardship rules. There are groups with a separate entitlement.

Thalidomide and symphysiotomy

If you are affected by the drug Thalidomide or you are a survivor of symphysiotomy, you get a medical card regardless of your means. This arrangement is not on a statutory basis.

Retention of medical cards

At present, if you have a medical card and you take up employment or go onto a back to work scheme you may retain the medical card (for yourself and your dependants) for three years after your change of circumstances even if you

do not continue to meet the means test or undue hardship requirements. This arrangement is not on a statutory basis. If you take up part-time employment, the three-year period starts from the date your income exceeds the relevant medical card guideline.

This scheme applies if you have been receiving one of the main weekly social welfare payments (for example, Jobseeker's Benefit or Allowance or One-Parent Family Payment) for at least a year before taking up the employment or back to work scheme.

It was announced in Budget 2014 that this system would be changed to an arrangement whereby you will get a GP Visit Card instead of a medical card. It is intended to introduce legislation to provide for this. It is not yet known when this change will take place or what will happen to people who already have medical cards in these circumstances.

Hepatitis C/HIV

If you contracted Hepatitis C or HIV from the use of human immunoglobulin-anti D blood products you are entitled to the same services as a medical card holder and to other services as well (for example, home nursing, home help, physiotherapy and counselling services). This is provided for under separate legislation – the *Health (Amendment) Act 1996*. You get a Health (Amendment) Act card rather than a medical card.

EU regulations

Certain people are entitled to medical cards because of the operation of EU rules in respect of migrant workers. These rules apply in relation to the EU/EEA member states and Switzerland. These rules are set out in Regulations 883/2004 and 987/2009. The broad principle of the rules is that, if you move from one country to another, you are entitled to avail of health services in your new country on the same basis as if you were living in your home country. In practice, that means that people who are ordinarily resident in Ireland and who are covered by the EU rules are entitled to medical cards in Ireland.

Visitors to Ireland from the EU/EEA member states are entitled to avail of health services in an emergency but we are concerned here only with people who are ordinarily resident in Ireland.

If you apply for a medical card under the EU rules, you are likely to be asked about your income. This is not for the purposes of carrying out a means test. It is done in order to establish whether or not you are subject to Irish social security law. If you are subject to Irish social security law, you are not entitled to a medical card on the basis of EU rules.

The following people are entitled to a medical card because of EU/EEA rules regardless of their income:

Employed in another EU/EEA country

If you are living in Ireland and employed or self-employed in another EU/EEA member state, for example, if you are living in Ireland and working in Northern Ireland, you are entitled to a medical card. People in this situation are called *frontier workers* in the EU legislation.

People posted to work in Ireland

If you are a *posted worker*, that is, you are sent by your employer to work in Ireland for a limited time and you continue to pay social security contributions in your home country, you are entitled to get a medical card for the duration of your stay in Ireland. Your dependants are also entitled if they are living here and are not employed or self-employed here.

Dependants of those employed in another EU/EEA country

If you are a dependant (spouse or child) of a person employed in another EU/EEA member state and you are living in Ireland, you are entitled to a medical card. However, if you have an income in your own right, that is, if you are employed or self-employed or receiving a social welfare payment, then you and the children are not regarded as dependants and your eligibility for a medical card is assessed in the normal way

People receiving pensions from an EU/EEA country

If you are living in Ireland and receiving a social security pension from another EU/EEA country, you are entitled to a medical card provided you are not also receiving an Irish social welfare pension and are not employed or self-employed in Ireland. In this context, you are regarded as self-employed in Ireland if you have sufficient income from self-employment to make you liable for self-employed PRSI. This is currently €5,000 a year.

If you are receiving a social security pension from another member state and you also have an income from Ireland that makes you subject to Irish social security law, then you come under the normal rules for deciding whether or not you qualify for a medical card.

Costs

The costs of implementing the EU regulations may be reimbursed between member states. The majority of people who avail of the regulations in Ireland are UK citizens. The UK paid Ireland about €220 million in 2013 – this was the estimated net cost of UK citizens receiving health services in Ireland as residents and as temporary visitors.

The Citizens Information Board provides independent information, advice and advocacy on public and social services through citizensinformation.ie, the Citizens Information Phone Service and the network of Citizens Information Services. It is responsible for the Money Advice and Budgeting Service and provides advocacy services for people with disabilities.

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Ireland has or has had waiver agreements with a number of member states which mean that neither country claims costs against the other. The HSE intends to issue claims for the recoupment of costs from a number of countries in 2014.

Benefits associated with a medical card

Universal Social Charge (USC)

The USC was introduced in January 2011. It replaced the Health Levy and the Income Levy. Medical card holders were exempt from these levies but that is not the case with the USC.

While having a medical card does not make you exempt from paying the USC, it may limit the amount you have to pay.

The normal rules about paying USC are:

- If your total annual income is less than €10,036, you do not pay any USC. Social welfare payments are not liable for USC, so this refers to your non-social welfare income
- If your total annual income is more than €10,036 (again, not considering social welfare payments), you pay 2% on the first €10,036; 4% on the next €5,980 and 7% on the rest

However, if your total annual income (not including social welfare payments) is €60,000 or less and if you are aged 70 or over or you have a medical card, you pay 4% on the amount of your income above €10,036 and you are not liable for the 7% rate. In practice, the vast majority of medical card holders are likely to be in this position.

School transport

Children who have medical cards qualify for free transport to primary schools subject to the usual rules. Secondary school students who have a medical card qualify for free transport to the nearest school.

Further information

Further information on medical cards is available from:

LoCall: 1890 252 919

Website: medicalcard.ie

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