



Medical cards for the over-70s

In January the over-70s were given notice that automatic entitlement to a Medical Card would be replaced with a means test. However, many may be unsure if they still qualify. *Consumer Choice* takes you through the new rules.

It seems that there could still be widespread uncertainty among the over-70s over who is, and who isn't, now eligible for a Medical Card. Recent figures from the HSE show that almost half of older people who are no longer entitled have yet to hand back their cards. To date, 10,690 persons have handed back their over-70s Medical Card in compliance with the new rules. A further 12,640 cards (9,264 of which pertained to people over-70) were removed from the Medical Card Register as a result of the HSE's verification process to prevent incorrect or duplicate registrations.

The new rules

The scheme of automatic entitlement to a Medical Card for all persons aged 70 and over ended on 31 December 2008. As of 1 January 2009, automatic entitlement was replaced by a new scheme under which everyone aged over 70 must satisfy a means test. This test was brought into operation on 2 March 2009, so if you were aged 70 or over before 31 December 2008 and automatically received a Medical Card from the HSE, you should have satisfied the means test by 2 March 2009. If your income is below the new limits, you simply keep your card and continue to use it as normal. Contrary to

any other view there has been no extension to the March deadline.

The new rules provide that a person over 70 is entitled to a Medical Card if their weekly gross income is below €700 or €1,400 for a couple. Your gross income refers to income earned before tax from a pension (social welfare, occupational or private), employment (fulltime/part time, self employment, directorships) and/or income from investments, savings or rental properties. In the case of rental income it is permitted to deduct necessary expenditure associated with the rental of the property. In the case of a self employed person, the assessable income

AT A GLANCE

The new rules.

Age Action criticism.

Useful contacts

HSE Head Office

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www.hse.ie

Department of Social & Family Affairs

Aras Mhic Dhiarmada
Store Street
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Age Action

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Useful website

www.citizensinformation.ie

Report by

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is determined as the average weekly gross income including trade capital allowances.

Savings and investments

Savings or investments of up to €36,000 for a single person and €72,000 for a couple are disregarded in assessing eligibility under the new rules. Income from savings and investments above these thresholds will be assessed using a rate based on prevailing interest rates at the time of application. This rate will be reviewed quarterly. It is possible for the applicant to have the actual interest earned from savings and investments used if this calculation gives a lower level of income than calculated using HSE rates. Applicants will have to supply a certificate of interest showing income earned over the last full calendar year as verification.

Only the interest or income earned on savings and investments are counted as income – not the total value of the savings or investments themselves. For example, if you are single and you have €50,000 earning 3% interest, the income that is counted for the purposes of the means test is 3% of €14,000 (€50,000 less the threshold of €36,000). This equals €420.00 year or €8.05 a week. In the case of property, the family home and any other property is not taken into account in assessing eligibility, provided the property is not generating an income. Income earned in 2008 is used to determine the status of 2009 Medical Card applications.

If your income barely breaches the threshold for a Medical Card and you have high medical expenses, you should have your incomes and outgoings assessed under the general Medical Card scheme, where all your circumstances can

MEDICAL CARD BENEFITS

Medical Cards issued by the HSE enable the holder to receive certain health services free of charge as well as covering spouses and other dependents. Holders of the Medical Card are exempt from paying the recently raised 4% Health Levy and 2% Income Levy. They may also be exempt from paying school transport charges and State exam fees in publicly-funded second-level schools.

Health services normally covered by the Medical Card include:

- Free GP (family doctor) services
- Approved prescribed drugs and medicines
- In-patient public hospital services, out-patient services and medical appliances
- Dental, optical and aural services

- Midwifery & medical care, including health care related to pregnancy and the care of the child for six weeks after birth
- Some personal and social care services, for example, public health nursing, social work service and other community care services
- A maternity cash grant of €10.16 on the birth of each child

Anyone over the age of 16 who is ordinarily resident in the State is entitled to apply for a Medical Card subject to qualifying criteria. In general, if you are getting the maximum rate of a means-tested payment, you will be granted a medical card without having to undergo a further means test.

be considered in order to determine if you are entitled to a Medical Card or GP Visit Card.

Finer details

Where a couple is being assessed and one partner is under 70, both qualify for a Medical Card provided the means test is satisfied. Other dependents e.g. children are also covered. In the event of the death of a spouse/partner, the surviving spouse/partner may retain the card for a period of three years following the death provided that; the death occurred on, or after 1 January 2009, the surviving spouse/partner was aged 70 or over at the time of the death, and that he/she remains within the gross weekly income limit of €1,400. After three years, he/she will then be assessed under the single income limit of €700.

In checking eligibility, the HSE has said that random audits will be selected from Over-70 Medical Card holders. If

selected, the Medical Card holder will be informed and asked to give up-to-date income details which will be checked using both Department of Social & Family Affairs and Revenue information.

Age Action criticism

Age Action Ireland, the national independent organisation on ageing and older people, has made particular criticism of the bereavement clause in the new eligibility criteria. The clause, which allows the surviving spouse/partner of a cardholder to keep the card entitlement for three years, only applies to those who were bereaved after 1 January 2009.

Age Action has said that the three-year condition had been introduced by the Government in a bid to prevent financial hardship to some older people who might otherwise have lost their medical card on the day their spouse died. However, due to the specific nature of the clause, Eamon Timmins, spokesperson for the organisation, said that, "the bottom line is that as a result of this condition many recently bereaved over-70s will face financial hardship at this particularly difficult time in their lives."

Age Action has stated that it believes the new regulations should be amended so that anyone who is entitled to an over-70s medical card on the basis of the new means test as a couple, would not lose it for three years after the death of their spouse, regardless of whether this death occurred in 2009, 2008 or 2007. "This would mean that all widows and widowers would be viewed equally by the State and treated in the same sympathetic manner," Mr Timmins said.

choice comment

Only after considerable public outcry did the government make the wise move to reconsider its original decision of withdrawing medical cards from the over-70s. This restored entitlement to the vast majority of card holders. That said, the new income rules may confuse many older consumers struggling to work out whether their income disqualifies them or not. When contacted, a spokesperson for the HSE told the CAI that, "members of the public and GPs with any queries relating to medical card entitlements can at all times seek advice from their Local Health Office. Local Health Offices will continue to provide necessary supports to any person making an application."

In an unrelated piece of bad news for the elderly, the government has announced that The Scheme of Community Support for Older People, which funds initiatives to improve the lives of older people, is to be suspended. Under the scheme funding for the provision of security measures such as door locks and socially monitored alarms was made available. Unfortunately the government has decided to divert the Scheme's funding elsewhere.