



30.1.2015

NOTICE TO MEMBERS

Subject: Petition 0016/2013 by Garson Graeme (British), on German Health Insurance system

1. Summary of petition

The petitioner complains about the arrangements of the German health insurance system: partly state-owned and partly in private sector hands. He believes the system is extremely unfair towards the consumer. He complains that the private insurers apply no cap on premiums (unlike the state-owned insurers). State-system premiums are set as a percentage of earnings whereas private insurers set their own premiums and adjust them annually on a profit and loss basis. He points out to the problem that a number of private insurers attract new customer by means of low premiums which increase drastically during the lifetime of the contract to the extent that they are no longer payable for the average consumer. To change the insurer also proves very disadvantageous to the customer. He believes that those who do not know the system (such as foreigners) are particularly disadvantaged, given that they might not know how the system works.

2. Admissibility

Declared admissible on 10 September 2013. Information requested from Commission under Rule 216(6).

3. Commission reply, received on 30 January 2015

EU law in the field of social security provides for the coordination and not the harmonisation of social security schemes. It is thus for the legislation of each Member State to lay down the conditions under which social security benefits are granted, as well as the amount of such benefits and the period for which they are granted, as long as they comply with the principle

of equal treatment and non-discrimination.

The task of supervising private insurance companies does not fall within the remit of the European Commission, but within that of Germany's Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, Graurheindorfer Straße 108, 53117 Bonn, Germany*). This task takes into consideration the fact that any change of the amount of premiums payable to a private sickness insurance fund has to be agreed by an independent accountant. The task of the supervisory body also comprises the protection of consumers' interests.

Conclusion

The information provided by the petitioner does not point to a violation of EU law.