



PRIVATE HEALTH INSURANCE  
Premiums in old age

With Halleche's  
contributions, you can  
enjoy peace of mind  
even in old age.

# Fact or prejudice?

**“Premiums for private health insurance (PKV) are rising much more sharply.”**  
Statements like this and others are frequently encountered in the media and in public debate. But which of these claims stand up to scrutiny, and which are based on preconceptions?



**“Premiums in private health insurance are rising faster than in the state health insurance schemes!”**

**“There’s no way to switch to a different plan that will save me money later on!”**

**“Private health insurers are not doing anything to stop premiums rising!”**

**“They don’t care about older policyholders!”**

**“There are no affordable alternative plans!”**

**“You end up paying more with private health insurance when you get older!”**

We have compiled this document to the best of our knowledge and have taken great care in preparing its contents. Nevertheless, errors cannot be entirely ruled out. We therefore ask for your understanding that we accept no guarantee or liability for the currency, accuracy or completeness of the information provided. Consequently, we accept no liability for any direct, indirect, incidental or special damages incurred by you or any third party.



We provide an overview of the premium situation in private health insurance (PKV), with a particular focus on Hallesche. At the same time, we take a look at statutory health insurance (GKV).

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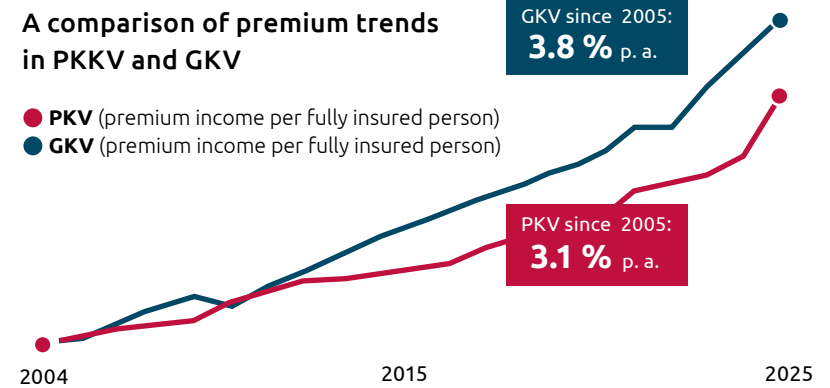
# Why are premiums increasing?

## Premium trends in PKV and GKV

In a recent comparison of premiums with the GKV, PKV performs very well. The Scientific Institute for Private Health Insurance (WIP) has calculated in a study how premium income per insured person has risen between 2005 and 2025.

Premiums are rising in both systems, the GKV and the PKV. In the long term, however, premiums in the statutory health insurance system have risen more sharply over the last 20 years than in the private health insurance system – even though private health insurance companies are actually setting aside provisions for an ageing population. The magazine “Finanztest” also notes that a progressive healthcare system comes at a price: “Costs per insured person are rising equally, regardless of whether they are privately or statutorily insured.”

### A comparison of premium trends in PKV and GKV



Source: WIP – Scientific Institute of Private Health Insurance

### Excellent!

The independent assessors at the rating agency ASSEKURATA have awarded Hallesche an “excellent” rating for its premium stability.



### Stable!

In comparison, PKV is more convincing with lower premium increases.

## Reasons for the increase in costs

In PKV, premiums are calculated to cover the insured person's entire life expectancy, taking into account current actuarial assumptions. These are, first and foremost, healthcare costs. The increase in healthcare expenditure that comes with age is, of course, factored in.

### Lifetime benefit guarantee in private health insurance

Unlike statutory health insurance, a private health insurance policy includes a lifetime benefit guarantee. If, over time, new and more expensive treatment methods become established, the insurance premiums must be recalculated.

An increase in premiums therefore also reflects the improved quality of medical care.

#### In summary

This is why costs are rising:

- Advances in medical technology and improved treatment methods
- More frequent use of medical services
- The rise in the cost of healthcare services, particularly in hospitals



#### Example

Gerhard B. has not been feeling well for several weeks. With the help of the SPECT/CT scanner, various conditions – such as heart disease – can be diagnosed even more reliably and accurately by directly localising pathological findings.

This makes it possible to detect and treat conditions at an early stage. Such a machine costs around € 500,000.

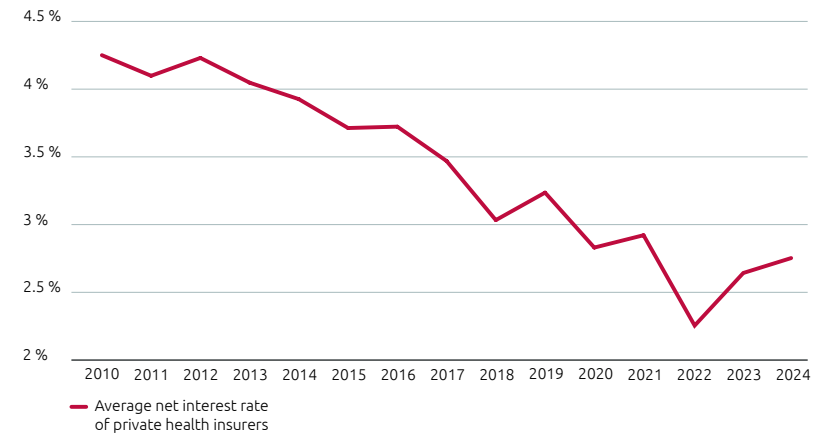
## What role do life expectancy and the actuarial interest rate play?

Apart from healthcare costs, assumptions regarding life expectancy and capital market returns are also made when calculating premiums. For life expectancy, we use the current private health insurance mortality table, as the life expectancy of privately insured individuals is significantly higher than that of the general population.

In addition to life expectancy, the rate of return is also an important basis for calculation. In order to guarantee the lifelong benefit commitment, a large proportion of the premiums is invested in the capital market as an ageing reserve, where it earns interest. In the calculation, an actuarial interest rate is assumed for the return. The actuarial interest rate is derived from the net return achievable in the future using an actuarial method. As part of a premium adjustment, the level of the actuarial interest rate is reviewed and adjusted if necessary.

Following a prolonged period of low interest rates, the base rate has recently been raised significantly. This is also expected to have a positive impact on the actuarial interest rate. An increase in the actuarial interest rate reduces the premium burden.

However: Interest earned that exceeds the calculated actuarial interest rate primarily benefits the insured community and is used to stabilise premiums.



### Actuarial interest rate

The level of the actuarial interest rate has a significant impact on the amount of the premiums. Hallesche uses a rate of 2.4 % for new comprehensive insurance policies.

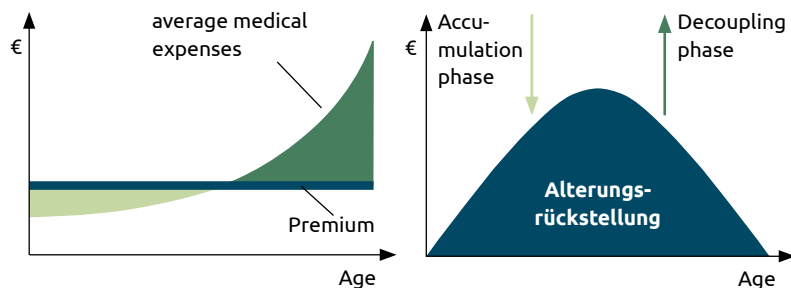


# How can premiums be kept as stable as possible?

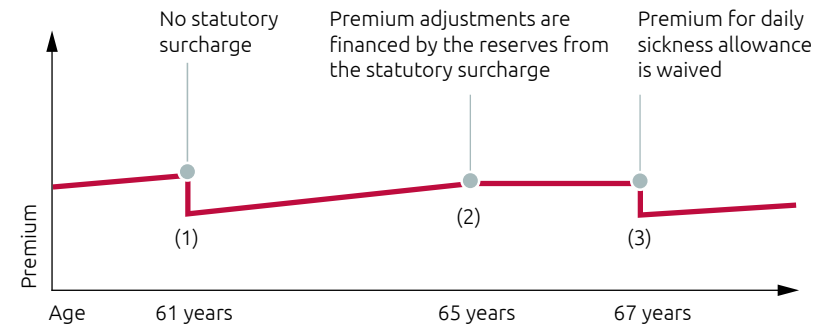
## Measures to stabilize premiums: what we do ...

In private health insurance, your premiums are calculated from the outset to include a savings component, known as the ageing reserve. This means that the premium is initially higher than would be necessary to cover your medical costs. The ageing reserve is built up from the portion of the premium that is not required at the outset.

As you get older, the benefits you receive will exceed the premium you pay. The difference is offset by the accumulated reserves.



## Schematic premium progression, taking into account the rise in healthcare costs



For comprehensive insurance tariffs, a statutory surcharge of 10% is levied on the tariff premium to safeguard against rising premiums in old age.

- (1) The statutory surcharge ceases to apply from the age of 61.
- (2) The reserves from the statutory surcharge are used to stabilise premiums from the age of 65. Premium adjustments are reduced using surplus funds (not guaranteed).
- (3) The discontinuation of the daily sickness allowance results in an additional reduction in premiums upon retirement.

## Good to know

In spring 2025 the total amount of ageing provisions set aside by private health insurers will amount to around € 345 billion. You can view the current figure at [www.zukunftsuhr.de](http://www.zukunftsuhr.de).

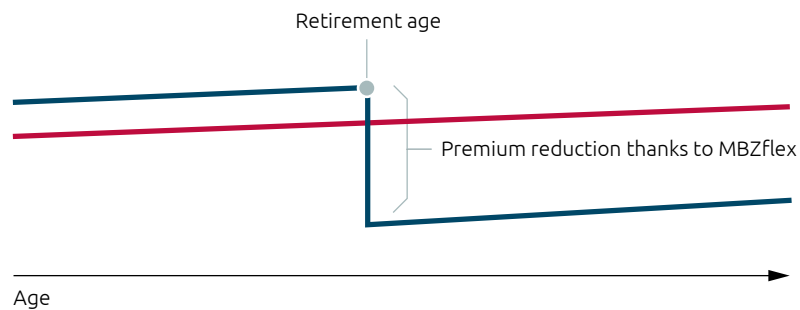


## ... and what you can do yourself.

With MBZflex, Hallesche's Modified Premium Payment scheme, you can take control and even reduce your premiums. The principle is very simple: pay a little more now, and pay less later in life. And the guaranteed premium reduction in later life is just one of many benefits!

The premiums paid can be claimed for tax purposes as pension contributions, with no upper limit. The higher your current tax rate, the greater the positive impact this option has on your overall return.

### Your health insurance premium history



● without MBZflex ● with MBZflex

Please note that the premium for MBZflex must continue to be paid even after the premium reduction.

### The advantages of MBZflex

- **Flexibility**  
The amount and timing of the contribution reduction can be flexibly adapted to your personal circumstances.
- **Dynamic adjustment**  
The agreed amount of the premium reduction can also be adjusted at a later date.
- **Without health examination**  
No questions will be asked about your health.
- **Employer contribution**  
Your employer pays half (up to the maximum employer premium for health insurance).
- **Tax benefit**  
Premiums to MBZflex are tax-deductible in the same way as the underlying comprehensive health insurance.



# Is it better to be covered by GKV or PKV when you get older??

## Health insurance as a retiree

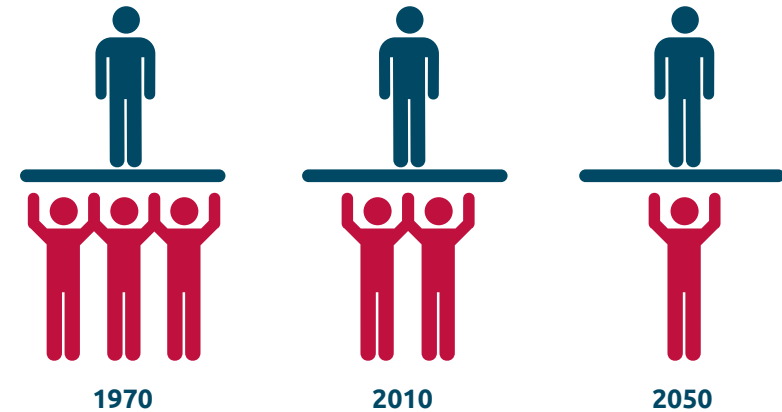
The benefits of good private health insurance become particularly apparent as one gets older. After all, when you regularly need medical care, you really come to appreciate the advantages of private health insurance

### GKV or PKV – what are the differences?

- **Premium calculation**  
In PKV, provisions are set aside for old age. In GKV, the assumption is that the next generation will be able to cover healthcare costs.
- **Premium amount**  
In PKV, the premium depends on the cover chosen. In GKV, the premium is income-based, even in old age.
- **Benefits**  
In der PKV sind die Leistungen dauerhaft vertraglich garantiert. In der GKV können Leistungen aus politischen Gründen gekürzt oder rationiert werden.

### The number of working people required to support each pensioner.

Demographic change in Germany from 1987 to 2050



Source: Federal Statistical Office and PKV Association

### Subsidy

The statutory pension scheme pays its members a subsidy towards their PKV premiums.

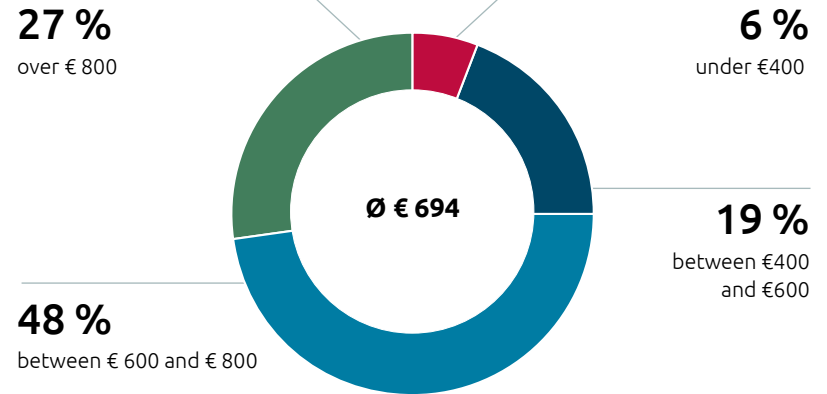


## Health insurance as a retiree: the situation at Hallesche

At Hallesche, we offer high-quality cover even in later life at a fair and affordable premium. The average health insurance premium, including the excess\*, for our policyholders aged 65 and over is currently € 694.

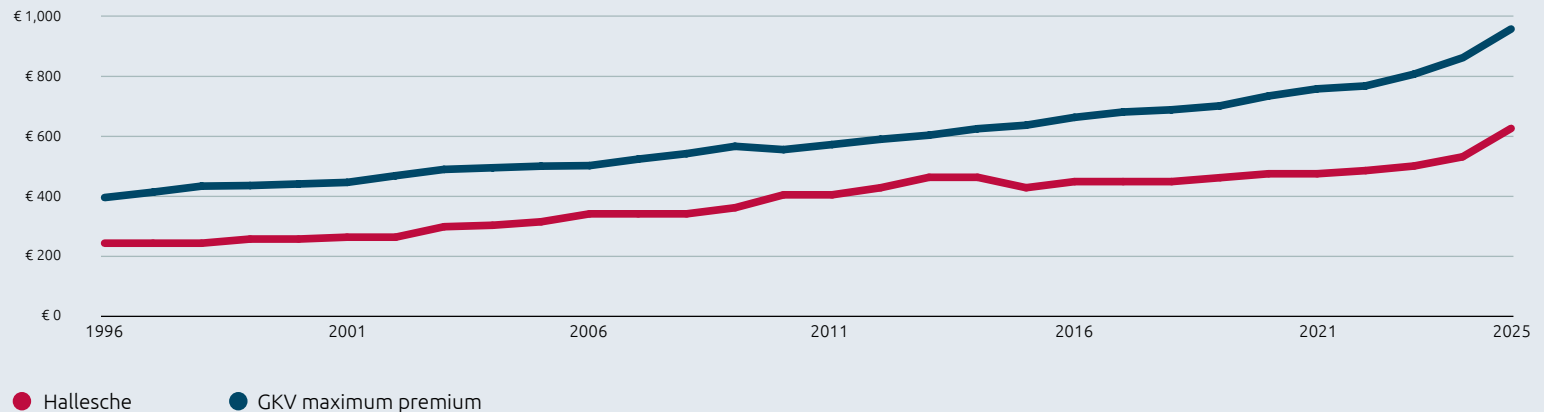
For 73 % of our policyholders aged 65 and over, this means they pay less than € 800 per month for their health insurance. Those who, like most of our customers, receive a health insurance subsidy as statutory pension scheme members actually pay even lower premiums.

### Health insurance contribution from age 65 (including deductible)



### Example: Monthly health insurance contribution for an 87-year-old

Claus H. is now 87 years old and has been insured with Hallesche under the top-tier NK 1 plan for over 30 years. His monthly health insurance premium, including the excess\*, is currently € 633.25.



\* The annual excess is divided by 12 and is added to the health insurance premium on a notional basis.

# Wie kann der Beitrag im Alter weiter reduziert werden?

## Possible options for reducing premiums

You can further reduce your premium by switching to a tariff with a higher excess or to a tariff offering lower levels of cover. During a personal consultation, we work with our customers to find the best solution.

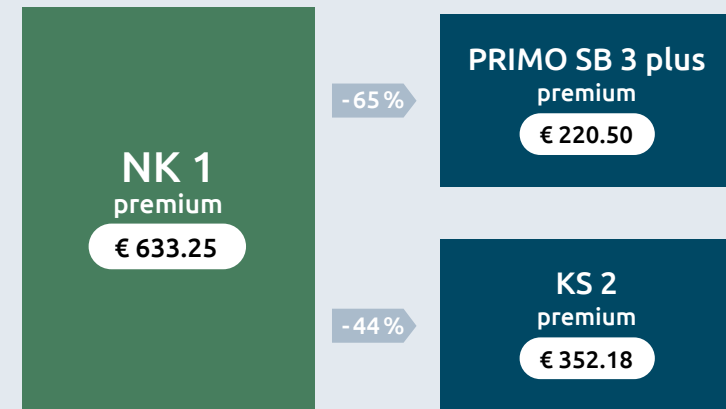
### Hallesche's offering

From the age of 55, our policyholders automatically receive a clear offer with alternative tariffs when their premium is adjusted. We are also happy to provide a detailed comparison of benefits to make the differences transparent. Returning to a higher-tier tariff at a later date is only possible following a new medical assessment.

### Example: Claus H. (87 years old)

By switching from the NK 1 tariff to the PRIMO SB 3 tariff, Claus H. could save an extra € 412.75 a month. However, this would also mean a reduction in the scope of his cover.

If he stays with the NK 1 tariff, Claus H. will continue to benefit from an exceptional package of cover over the coming years.



All premiums include deductibles.

## Attractive premiums for our customers

As a mutual insurance society, our surpluses benefit our policyholders alone. Hallesche goes to great lengths to ensure that our customers' premiums remain affordable in the long term. We reward customers who have not claimed any benefits with a premium refund. Where possible, we limit premium increases – particularly for those aged 65 and over. These limits are guaranteed and pre-funded for the entire duration of the policy.

**Our policyholders aged 65 and over currently benefit, on average, from a reduction of over € 152 per month on their premium, funded from surpluses.**



Contribution adjustments will be reduced wherever possible – particularly for those aged 65 and over.



Our calculations are sound thanks to an early adjustment of the actuarial interest rate in line with the capital market situation!



At the end of 2024, €380 million was available for future premium caps and premium refunds.



In 2024 a total of approximately €83 million was paid out to non-contributory customers as premium refunds.



During the premium adjustment in 2024, a total of €113 million was allocated to the premium cap..

### Good reasons for a partnership with Hallesche:

- Excellent value for money
- Comprehensive, modern health management
- Awarded multiple times for high premium stability
- Premium refunds if no claims are made under comprehensive health insurance
- The ideal health insurance for every stage of life
- Secure premiums – even in old age
- Preventive medical check-ups with no age limit
- Over 85 years of experience

### Simply excellent!



### Follow us



### Hallesche

Krankenversicherung a. G.  
70166 Stuttgart  
service@hallesche.de  
www.hallesche.de  
www.blog.alh.de