

Healthcare Revealed



A guide to buying private
medical insurance

Welcome to Healthcare Revealed, our guide to helping you understand private medical insurance.

The number of technical and procedural developments in the world of medicine and healthcare is always expanding. As a result, the types and varieties of private medical insurance (PMI) have increased as well. As a consumer looking to cover yourself, or yourself and your family, you have a greater choice of options and benefits than ever before.

As a provider of PMI in the UK, we've written 'Healthcare Revealed' as a guide to the choices available to you. Within this booklet, you'll find information to help you choose the healthcare options that suit you best, including explanations of what private medical insurance offers as well as some common terminology. You can find out more about what to look out for as well as answers to the most common questions.



Contents

Important information:

We've written Healthcare Revealed as an introduction to private medical insurance.

This guide doesn't offer advice as to the best product for you, but provides a generic overview of what you may need to consider and some of the choices open to you.

Before making any decision regarding PMI, you should consult your usual adviser, who will guide you to the most suitable product for your requirements and needs. If you don't have an adviser, you can find one in your area by using **unbiased.co.uk**.

An adviser may charge for their services.

Before you apply to take out a policy, you should read all the necessary product documentation, which will include your terms and conditions, to make sure it gives the cover you need.



What is private medical insurance?

Private medical insurance - also known as private health insurance, private healthcare or health insurance - helps you get private medical treatment when you need it, from a wide choice of professionals and private hospitals across the country.

You can cover just yourself or yourself, your partner and/or your children. This will make sure you have some protection against the cost of private treatment for any unexpected acute illness or injury, subject to the terms and conditions of the policy.



Why go private?

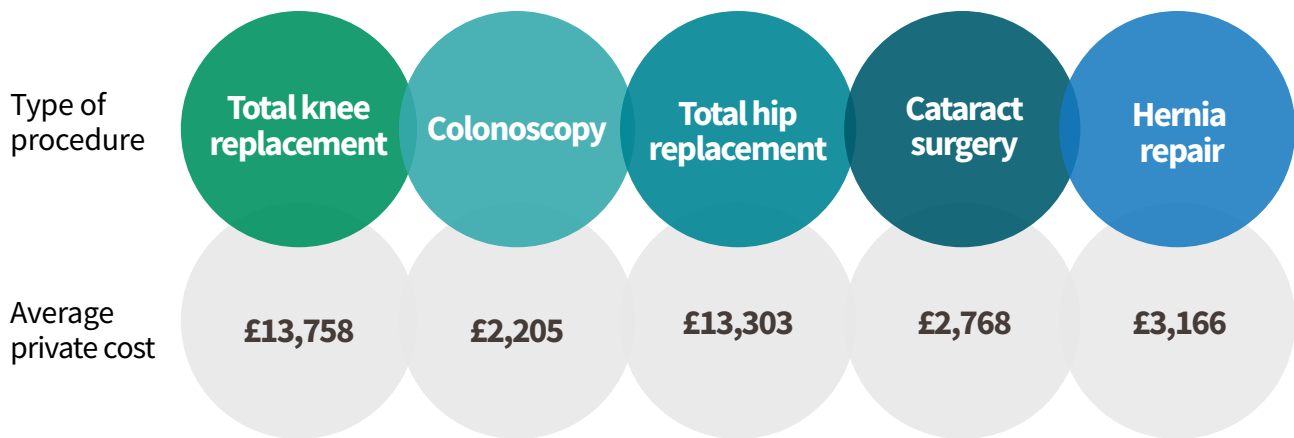
Sometimes, waiting for things - especially if you're in pain or discomfort - is the last thing you want to do. That's where private medical insurance comes in.

It sits alongside the NHS as an alternative for non-emergency treatment. This includes things like hip replacement, knee replacement or cataract surgery. With the NHS, you might face lengthy waiting lists, but with private healthcare, you can often have your treatment quicker.

The NHS should still be your first port of call if you need emergency treatment or have an accident. This kind of treatment isn't normally available through private healthcare.

Trying to self-fund care could cost thousands

The table below gives some examples of the average cost you could face if you decide to fund your own private treatment.



Source: prices taken from research conducted by Aviva into self-pay costs across the four, largest hospital groups in the UK. September 2022.

A PMI product may cover these conditions, but it would depend on your medical history and how the policy is underwritten. **Find out more about underwriting on page 13.**

PMI may cover the cost of private medical treatment, should you become ill, in return for a monthly or annual premium. How much cover you get and whether it includes treatment as an out-patient, as well as a stay in hospital, depends on the kind of plan you buy. The cost has traditionally put many people off, but the insurance industry has risen to the challenge and launched a range of plans to suit most pockets.



Why is PMI different?

PMI is designed to pay for treatment of acute, short-term conditions to help make you better or return you to your previous state of health. It isn't the same as other types of insurance, such as:

Critical illness cover, which pays out a lump sum if you're diagnosed with a critical illness that meets the policy definitions and then survive for a specified number of days. Policies only cover the critical illnesses defined in the policy and no others.

Cash plans, which reimburse a fixed amount of cash to help with the cost of everyday treatments such as visits to the dentist or optician, or payment towards a private consultation with a specialist.

Income protection insurance, sometimes known as permanent health insurance, which pays out a monthly benefit if you're unable to work because of sickness or accidental injury.

Some PMI plans may, however, incorporate elements of these other insurances as extras.

Acute versus chronic

PMI is designed to pay for medical treatment to help with acute, short-term conditions. Generally, it doesn't cover treatment for chronic conditions which need ongoing treatment and can't be cured, for example asthma or multiple sclerosis. It's worth noting though, that some top-of-the-range plans may pay out a donation towards the cost of palliative care in a hospice or for home nursing, or for the acute stage of a chronic condition. This is care that could help you feel more comfortable, but doesn't help your recovery.

The Association of British Insurers (ABI) has published a number of industry wide standard definitions.

It defines an acute condition as: "A disease, illness or injury that's likely to respond quickly to treatment which aims to return you to the state of health you were in immediately before suffering the disease, illness or injury, or which leads to your full recovery."

It defines a chronic condition as: "A disease, illness or injury which has one or more of the following characteristics:

- it needs ongoing or long-term monitoring through consultations, examinations, check-ups and/or tests
- it needs ongoing or long-term control or relief of symptoms
- it requires your rehabilitation or for you to be specially trained to cope with it
- it continues indefinitely
- it has no known cure
- it comes back or is likely to come back."

Definitions taken from 'Statement of Best Practice for Sales of Individual and Group Private Medical Insurance', Association of British Insurers, November 2017.

Other general exclusions

Remember, no plan will cover you for every single health problem, as the cost would be unaffordable. Here are some examples of the type of exclusions you may expect to see:

- pre-existing conditions (unless included by the provider at the time of taking out the policy due to the type of underwriting)
- pregnancy and childbirth, or related conditions that can only be caused by pregnancy or childbirth
- infertility investigations and treatment
- cosmetic surgery
- experimental treatments (although limited cover may be available)
- self-inflicted injury
- treatments undertaken by a specialist without GP referral
- charges by GPs or specialists for filling out claim forms
- alcohol misuse, drug misuse or other addictive conditions
- routine medical examinations or dental treatments
- surgical or medical appliances
- out-patient drugs or dressings
- kidney/renal dialysis
- HIV/AIDS and related treatments.



Which plan?

There are hundreds of different PMI plans on the market, designed to suit every pocket and need. Typically plans give cover for people requiring a stay in hospital – known as in-patient or day-patient treatment – and other benefits will depend on the type of plan you buy.

The market is generally split into three groups of products (low-cost, mid-range and high-end) and the table below shows what treatment may be covered. Cover will vary from product to product and from provider to provider.

Low-cost	Mid-range	High-end
May only cover a limited list of conditions	Cover of acute conditions	Extensive cover of acute conditions
Cover for out-patient treatment may only apply if linked to an in-patient or day-patient stay	Will generally cover you for in-patient, day-patient and out-patient treatment	All in-patient, day-patient and out-patient treatment, consultations and diagnostic tests
Treatment may only be available in a limited number of hospitals	Treatment may be available at a large number of private and NHS hospitals	Treatment available at a more extensive range of private and NHS hospitals
No additional options	Additional options that will affect the premium paid	Priced inclusive of additional options
No cash payment if you stay overnight in an NHS hospital	May offer a cash payment if you stay overnight in an NHS hospital	Will offer a cash payment if you stay overnight in an NHS hospital
May only be used if there's a waiting list of a certain length of time at local NHS hospitals	Not dependent on local NHS waiting lists	Not dependent on local NHS waiting lists



Keeping costs down

✓ **Excess**

Many plans include the option of an excess – the first part of an eligible claim that you must pay, typically £50 - £100. But some plans offer the option to increase the excess to £250, £500 or £1,000 for example, which will reduce the premium. An excess can be applied in various ways, but the most common is where the excess applies either by the year or by each course of treatment, and if it's a joint plan, either for each member or overall.

✓ **Split payment**

Other plans have no excess but split each bill with the consumer - usually either 50:50 or 25:75 - as a way of keeping costs down.

✓ **Limited hospitals**

Another option is to limit the number of hospitals where you can have treatment. Medical insurers may reduce premiums if you agree to only have treatment in a limited number of hospitals in the country. The downside to this could be that a specialist consultant you'd like to use may not practice from one of the hospitals on a reduced list.

✓ **Treatment limit**

Rather than limit the number of hospitals, you can limit the amount of treatments or conditions that are covered. You could choose a plan that only offers, for example, £1,000 worth of out-patient treatment



PMI may be seen as expensive but there are ways of keeping costs down.

each year but unlimited in-patient and day-patient cover. Alternatively, you could choose a product that restricts when you can claim. For example, some products will only pay for you to be treated in a private hospital if there's at least a six-week waiting list for your treatment on the NHS.

✓ **Networks**

Some medical insurers offer a network of treatment units to provide treatment for specific conditions.

✓ **Guided hospital option**

Some providers offer a guided approach to hospital choice, providing a number of hospitals in your area to be treated.

✓ **Modular products**

Modular products allow you to pick and mix the cover that's important to you. They'll have core cover, usually in-patient and day-patient plus some out-patient cover. You can then choose to add extras, which usually increase the costs, or remove options, to keep costs down. This allows you to pay only for the cover you want.

✓ **No claim discount**

Many providers now offer products with a no claim discount.

✓ **Specific illness products**

As medical insurance moves forward, providers may offer products designed to only cover a specific illness, such as cancer, or treatment like physiotherapy.

Understanding your underwriting options

When you first buy PMI, you're given two choices. You can either declare all your medical history or choose underwriting which excludes conditions which exist before the start of the policy for a set period of time.

Full medical underwriting will require you to answer a series of medical questions about your current health and past symptoms and conditions. The benefit of a fully medically underwritten plan is that you know exactly what won't be covered. The downside is that you may not get cover for a pre-existing condition, even if you've had a long period without symptoms. You need to make sure you give details of all your past medical history.

Moratorium underwriting means you don't have to fill out any medical forms or give any medical history. But it automatically excludes cover for any pre-existing conditions (or related conditions) for which you've received treatment, diagnostic tests, medication, advice about or had symptoms of (whether or not diagnosed), for a specified period of time (for example, five years) immediately before you took out the cover.

However, if you don't have any advice, treatment, diagnostic tests or medication for that condition for a specified period of time (for example, two years) after your policy starts, many providers will cover that condition.

For more details on your underwriting options, please speak to your adviser. **You can also find further details in the ABI Guide to buying PMI, available from abi.org.uk**



How to choose a PMI product

It's important to take professional advice from an insurance adviser, who will be able to research the whole health insurance market on your behalf to find the plan that best suits your needs. They'll know the differences between the plans which you may miss if you try to do all the work yourself. However, you should be aware that not all advisers are able to advise on all products, or all providers - some are restricted to certain products or providers, or even tied to a specific insurer. If you're looking for an adviser who can advise on health insurance products from the whole of the market, **contact AMII, BIBA or Unbiased**, who all hold details of insurance advisers in your area. Alternatively, if you know which insurer you'd like to go with, you could contact them direct for further information on their range of products.

Before that you need to decide several things:

- ✓ How much can you afford each month? This, as much as anything, will determine what plan you buy
- ✓ Do you want it to provide cover for all in-patient, day-patient and out-patient treatment or are you happy to rely on the NHS for some things?
- ✓ What size excess can you afford?
- ✓ Who do you want to cover? Just yourself or your spouse, partner, civil partner and/or children?
- ✓ Do you want your plan fully medically underwritten or on a moratorium basis?
- ✓ How will you pay your premiums? Some PMI providers may offer a discount to people willing to pay yearly. There may be discounts for buying online as well
- ✓ How will your premiums increase as you get older? Some companies increase premiums every five years, others may increase your premium each year based on your age, and medical inflation
- ✓ How much flexibility is there? Can you switch plans within the insurer's range of products without the need for new medical underwriting or extended moratoriums?
- ✓ Do you want a product that rewards you if you don't claim? If so, look out for a no claim discount.



Switching provider

Although you may stay with your PMI provider for many years, your medical insurance normally renews each year. Your premiums will normally go up every year, partly because you are getting older and partly because of medical inflation. This refers to the change of costs to support advances in medical treatments and procedures. If you're not happy with your cover or new premium, you can look to switch providers or products.

You may be able to choose a company that will let you switch on the same underwriting terms. This means you'll still have cover for all the conditions you currently have, though you should check they will be covered for the same amount. If you can't switch, perhaps because you're in the middle of treatment, then talk to your insurer about changing or limiting cover to keep costs down.

If you'd like to learn more about switching your provider, speak to your insurance adviser.

Although you may stay with your PMI provider for many years,
medical insurance is normally an annual product.

PMI - frequently asked questions

How much detail should I put on my application form when taking out PMI?

You'll need to answer all the questions on the application form fully, truthfully and accurately. So, include anything relating to your medical history. The answers you give will determine what your policy will cover and the amount you'll have to pay. If you don't complete the form accurately, your claim may be denied or your cover cancelled.

Will premiums go down if I improve my lifestyle?

Many insurers don't request this information on their application form, so it has no effect on the premiums they charge. But as insurers focus more on keeping customers healthy, it can have more relevance. It's definitely worth contacting your insurer to see if your premiums can be reduced over time, for example if you stop smoking, cut down the amount of alcohol you drink or take more exercise.

What's the difference between in-patient, day-patient and out-patient treatments?

- Being a day-patient means that you're admitted into a hospital or a day-patient unit for treatment. Although you'll need a period of clinically supervised recovery, you don't occupy a bed overnight.
- Out-patient treatment is given in a hospital, consulting room or out-patient clinic that doesn't usually require a clinical supervised recovery and you aren't admitted as a day-patient or in-patient. Typically, it'll be for diagnostic tests and consultations, often before or after in-patient or day-patient treatment.
- In-patient treatment is where it's medically necessary for you to stay in hospital at least overnight, if not longer.

When will a cancer claim be covered?

You'll need to speak to your insurer about what they will or won't cover as not all types of cancer are covered. Some insurers may not pay for treatment, while others provide extensive cover. Some insurers have specialist oncology teams, which assess each claim on a case-by-case basis. Once the treatment becomes palliative, cover may be limited and may not be paid for at all.

What's the difference between acute and chronic conditions?

As explained more fully on page 8 of this guide, acute conditions are those that can be treated and the patient is expected to make a full recovery. Chronic conditions can't be cured and will continue indefinitely.

How can I fairly compare products between providers?

The best route is to contact an insurance adviser who's able to review the whole of the market and choose the plan best suited to your individual needs. Remember, not all insurance advisers are able to advise on the whole of the market.

Useful addresses

Financial Conduct Authority

12 Endeavour Square
London
E20 1JN

Tel: 0800 111 6768
fca.org.uk

Association of British Insurers (ABI)

One America Square
17 Crosswall
London
EC3N 2LB

Tel: 0207 600 3333
Email: info@abi.org.uk
abi.org.uk

British Insurance Brokers' Association (BIBA)

8th Floor
John Stow House
18 Bevis Marks
London
EC3A 7JB

Tel: 0344 7700 266
Email: enquiries@biba.org.uk
biba.org.uk

British Medical Association

BMA House
Tavistock Square
London
WC1H 9JP

Tel: 0300 123 1233
Email: support@bma.org.uk
bma.org.uk

Association of Medical Insurance Intermediaries (AMII)

PO Box 299
Petersfield
GU32 9GY

Twitter: [@amiihealth](https://twitter.com/amiihealth)
amii.org.uk

Unbiased

Unbiased Ltd
32-38 Saffron Hill, London, EC1N 8FH

Tel: 0800 023 6868
Email: contact@unbiased.co.uk
unbiased.co.uk

The cost of calls to 03 prefixed numbers are charged at national call rates (charges may vary dependent on your network provider) and are usually included in inclusive minute plans from landlines and mobiles.

Healthier Solutions

Flexible PMI from Aviva

Everyone's different. What one person wants from their PMI may be completely different to the requirements of another.

This is why we're committed to offering products that help meet the needs of those customers who don't believe that 'one size fits all'.

With Healthier Solutions, you get flexible PMI that allows you to choose your level of cover to suit your needs and budget.

Pay more for the additional benefits you want, such as dental and optical, or a wider hospital list. Alternatively, reduce the cost of premiums by adding an excess or limiting your out-patient cover. It's that simple.

But no matter what options you choose, our aim is to make sure you receive a quality service at all times, including:

- ✓ access to treatment at a private hospital
- ✓ a wide range of hospitals around the UK
- ✓ choice of when to take treatment
- ✓ usually, your own en-suite private room.

Applications are subject to acceptance and terms and conditions apply. Your final terms depend on the information provided in your application and your selected options.

Other benefits of Healthier Solutions

- ✓ Specialist claims team for specific conditions such as mental health.
- ✓ Active claims management: telephone assessment on most claims.
- ✓ **MyAviva** - our online portal will help you manage Aviva policies and schemes in one secure and easy-to-use place. All health claims can be started online and makes managing your claims simpler.
- ✓ Wellbeing benefits to help manage your health, from Aviva Digital GP to discounts at selected health & fitness clubs.

The app is available to download from the App Store or Google Play. Mobile data charges may apply.



For more information on
our wellbeing services visit:
[aviva.co.uk/wellbeing-
healthier-solutions](https://aviva.co.uk/wellbeing-healthier-solutions)

Wellbeing

We're dedicated to helping you live your best life and we have a range of wellbeing benefits to help. Whether it's through MyHealthCounts, Aviva Digital GP, Get Active or the Stress Counselling helpline there's a service to support you.

- ✓ **MyHealthCounts** - find out how healthy you are and receive guidance to improve any health hotspots identified with MyHealthCounts – Aviva's online health and wellness programme. You could receive up to 15% off your renewal premiums by either improving or maintaining your health. As at November 2022, 74% of customers that completed the MyHealthCounts online questionnaire in the required time period received the full 15% discount at renewal. Terms and conditions apply.
- ✓ **Get Active, feel the benefits*** - Get Active helps you stay fit and healthy with discounts on online workouts, over 3,000 health and fitness clubs nationwide and a variety of discounted products and services to help you and your family get active and keep healthy.

Cancer Care with Get Active offers discounted products and services that can help support the daily living adjustments a cancer diagnosis and treatment can bring, as well as offers on services and experiences that may enhance quality time spent with family and close friends.

Terms and conditions and the privacy policy can be viewed before signing up. The sign-up process for some offers, such as health and fitness clubs, means you'll enter a binding contract which may include conditions such as minimum term and monthly fees. Please read the terms and conditions relating to your chosen offers carefully.

- ✓ **Aviva Digital GP*** - get the guidance you need from a private GP via the app, with access to up to five video consultations per member over 16, per policy year, 24/7. Aviva Digital GP is provided by Square Health and is available to residents of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man at home or abroad. Terms and conditions and the privacy policy can be viewed in-app before you sign up. Mobile data charges may apply.

- ✓ **Cancer Care with Aviva Digital GP** - After a cancer diagnosis any changes to general health might feel even more concerning but with Aviva Digital GP, you can access a GP video consultation 24 hours a day, seven days a week. Some could be available in as little as 30 minutes, with most available on the same day.

Following a consultation, you'll be able to see the advice and all consultation history within the app. With consultation notes held securely

on the app, you can also easily access and email the medical information to your oncology team if needed.

Not only do you have the option to book a consultation with a GP you have seen previously via the app within the last 6 months, you can also update your medical profile before each consultation, meaning the GP will have an understanding of your recent medical history, including any medication you may be taking as part of your cancer treatment plan.

- ✓ **Stress Counselling helpline** - can help with personal or work related stress issues. Talking and sharing can be the first step in helping to work through problems and resolve them, aiming to achieve the best outcome for you. The service is available to members aged 16 or over.

- ✓ **Mental Health Guidance*** Our lives are constantly evolving, and our mental wellbeing can change day-by-day, week-by-week. That's why it's so important that we understand how to take care of our mental health.

To help support you and your mental wellbeing, we have developed a suite of videos and downloadable materials, all designed to give you the tools you need to cope with the everyday pressures of life – both inside and outside of work.

***These services are non-contractual benefits Aviva can withdraw at any time.**

If you'd like to learn more about Aviva or Healthier Solutions, speak to your insurance adviser or go to aviva.co.uk/health

It takes Aviva to give you the care and support you need exactly when you need it

At Aviva Health UK, we combine in-depth clinical expertise with financial strength and corporate efficiency. This results in a flexible approach to healthcare that you can trust.

You get added peace of mind because Aviva Health UK is part of the wider Aviva group – so you benefit from our extensive network and financial security. Aviva is one of the the largest insurers in the UK and has strong businesses across the globe. Having operated since 1696, we have years of financial services experience, meaning we're here to stay and are committed to providing the best possible service to you.



**This brochure (GEN2018)
is also available in braille,
large print and audio format.**

**If required, please contact us on
0800 158 3348 to ask for a version
in a format more suitable for you.**

We may monitor and/or record calls.



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Aviva Health UK Limited acts as agent of Aviva Insurance Limited for the purposes of: (i) receiving premium from our clients; and (ii) receiving and holding claims money and premium refunds prior to transmission to our client making the claim or entitled to the premium refund.

aviva.co.uk/health

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