

# COVID-19 Pledge for UK Private Medical Insurance Customers

Life doesn't always go to plan, but you can count on us in your time of need.

We remain committed to supporting our UK Private Medical Insurance (PMI) customers and to offer products that meet your needs. While the terms and conditions of our policies have not changed, the COVID-19 pandemic has restricted the availability of private treatment. However, your cover will still apply if treatment is available privately.

However, we don't yet know what the overall impact will be on claims experience and that is why we've developed our COVID-19 Pledge for UK PMI Customers.

## The background to our Pledge

We understand that many of our customers are facing financial challenges as a result of the exceptional circumstances arising from the COVID-19 pandemic and we have been working hard to develop our COVID-19 Pledge, which offers you additional clarity and reassurance during this time.

We welcome the additional guidance the Financial Conduct Authority (FCA) announced on 1 May, which made it clear that they expect financial services organisations to ensure that products continue to offer value and are appropriate for customers, considering the impact of coronavirus and the organisations' ability to deliver the benefits promised.

As the situation remains uncertain, the FCA has proposed to give insurers up to six months to assess this, so that the effects of coronavirus can be more fully reviewed and naturally, we will comply with their final proposals.

If our current assessment or wider circumstances materially change, we'll update our position and communicate with our customers again.

## Our Pledge

For our **individual and SME UK PMI** policyholders, we appreciate that treatment may be delayed as a result of COVID-19 and this may result in overall claims costs being lower than expected in the short-term. However, we expect treatment to be delayed rather than cancelled and we anticipate overall claims costs subsequently to be higher. We would expect the period of lower claims to be broadly offset by the period of higher claims. However, if PMI claims to Aviva are lower than planned over this entire period, expected to be over 2020 and 2021, we promise to return the difference to UK PMI policyholders. This calculation will be independently audited.

For our **large corporate PMI and Healthcare Trust** clients, we are seeking to apply similar principles, but due to the complex nature of our corporate health products, our approach will vary on a case-by-case basis and will naturally need to differ across fully insured, corporate excess and trust schemes, given the differing nature in the way each type of policy operates.

As our understanding of the impact of the COVID-19 crisis becomes clearer we will provide further details on how we intend to deliver our Pledge for our UK PMI customers.

**If you have any questions on what this means for you and your policy, please call us on:**



**0800 092 4590.** Lines are open Monday to Friday.

Calls to and from Aviva may be monitored and/or recorded.