

## Private Medical Insurance

Your health is your greatest asset. As a business owner, you cannot afford for your health to threaten the success of your business, which makes year-round, thorough healthcare a business necessity. Unfortunately, the overburdened NHS is often restricted from providing comprehensive patient care.

As healthcare needs have continued to grow and evolve, the NHS has been slow to adapt. This has created protracted waiting lists for vital procedures. For this reason, both individuals and businesses have turned to private medical insurance (PMI) to satisfy their health and wellness needs.

### What is PMI?

PMI provides individuals with a greater degree of flexibility in their care and treatment. With PMI, individuals have quicker access to treatments and a wider selection of care environments, specialists and treatment facilities. This type of insurance is capable of supplementing the services and care that the NHS provides, which can benefit both individuals and businesses. Depending on whether you are purchasing medical insurance as an individual or a business, there are three types of PMI schemes:

- 1. Individual** plans cover a single person but can extend to the entire family. Typically, premiums are paid annually, quarterly or monthly. Such plans help business owners ensure that any personal or family medical issues do not affect their businesses. If you are a sole trader, you cannot afford to miss work due to lengthy NHS wait times.
- 2. Company-paid** plans require employers to cover the cost of a policy, but they can designate their

amounts of cover. For example, a business may choose to provide its employees with a major medical expenses policy that would cover only surgery. Company-paid plans can help reduce absenteeism costs and attract top performers.

- 3. Group** plans involve a collective of individuals that belong to a shared organisation, such as a trade union, that pool their resources and purchase a policy for everyone in the group.

Each PMI scheme eliminates risk, provides policyholders with peace of mind, and lets them choose their own cover limits from the following:

- **Premier or comprehensive** plans offer the broadest range of cover and have the fewest restrictions on how large of an amount can be claimed. The policyholder has the option of including often-excluded items, such as:
  - Dental, optical and mental health
  - Traditional pregnancy and childbirth
  - Home nursing

The policy can be further tailored to include private consultations with a GP and limited cover to receive treatment abroad.

- **Standard** plans are less expensive than the premier plan but impose limitations on what can be claimed. These limits can be placed on:
  - The annual amount that can be claimed

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- A predetermined amount of days that can be used for treatment
- The choice of hospital
- **Budget or six-week** plans are the cheapest and provide policyholders with limited cover dictated by exceptions. They typically restrict cover to the more important or expensive types of treatment. Additional limitations include:
  - Not covering the cost of the initial consultation and diagnosis
  - Only covering limited types of illnesses
  - Restricting the insured from using a private hospital

## What Does PMI Cover?

The purpose of PMI is to provide the policyholder with a method to pay for the customised treatment of short-term, curable conditions. In general, most policies cover neither chronic illnesses, such as diabetes and multiple sclerosis, nor medical expenses for routine pregnancy and childbirth. However, if complications should arise during either pregnancy or childbirth, those expenses should be covered.

In addition to complications with pregnancy or childbirth, PMI policies may also provide cover for:

- Inpatient hospital charges
- Inpatient specialists' fees
- Outpatient charges
- Home-nursing charges
- Cash benefits, if the received treatment is free of charge under the NHS
- Minor surgery carried out by the policyholder's GP

- Private ambulance

This list is not comprehensive, but highlights the most common treatments and services that are covered.

## What Does PMI Exclude?

PMI was not designed to address all of a policyholder's maladies. Instead, there is a specific structure to identify what is covered. Here are some exclusions that are typically present in all PMI policies:

- Pre-existing conditions
- Superfluous cosmetic surgery
- Long-term hospital or nursing care
- Treatment not recommended by the policyholder's GP
- Palliative treatment
- Drug or alcohol abuse treatment
- Hormone replacement therapy and gender reassignment
- Elective termination of pregnancy and vasectomy/sterilisation

While this list is not reflective of all treatments and services that are generally covered, it does highlight the most commonly excluded.

## You Cannot Have Too Much Protection

PMI provides policyholders with the freedom to choose when, where and how their maladies are addressed. Contact Robison & Co Ltd today to discuss how a PMI policy can benefit you and your dependents or employees.