

COVID 19 – Impact on Private Medical Insurance

Undoubtedly, the coronavirus pandemic has caused real disruption to the Private Healthcare industry. Back in March/April there was concern that the NHS could be overwhelmed by the number of COVID-19 related hospital admissions. In order to prepare for the huge strain on health services, the government needed to maximise the number of beds that can offer ventilation and intensive support, and the available healthcare professionals who can help. The NHS therefore enlisted the help of the private sector to help the national effort to fight the virus.

We feel at this time of national crisis this approach was right, and the responsible response to an unprecedented situation to help the nation fight the virus. This however has had an impact on those with private medical insurance.

What impact has this had on private medical insurance?

The pandemic has led to a drop in privately funded care as non-urgent elective procedures have been subject to postponement. This means there have been a proportion of customer claims which have been temporarily deferred. Insurance providers have continued to authorise treatment to ensure treatment can be accessed as quickly as possible when services return to some sort of normality.

What benefits have remained in place throughout the pandemic?

Urgent and time-critical care, such as cancer treatment, has still been treated as a matter of priority. Virtual and 24 hour telephone services have also been available through many insurers, enabling members access to care through GP's, musculoskeletal (bone, joint, and muscle) clinicians and mental health practitioners, all from the comfort and safety of their homes.

What have insurers done to help support customers?

The market has responded to the challenges the pandemic has brought about. This has varied between insurers but below are some examples of how they have supported their customers and members:

- Premium payment deferrals and discounts for those who in financial hardship
- Excess waivers for those who have had treatment delayed, which has resulted in the start of a new policy year whereby a new excess would usually apply
- Enhancement of virtual/digital services to support health and wellbeing
- Specific COVID-19 cashback benefit for members who require a hospital stay due to coronavirus

The market has stated that they are not looking to profit from the pandemic. Some providers have spoken about premium rebates/cash back, though this is not likely to materialise until next year when the impact of COVID-19 becomes clearer.

What is the current position?

Thankfully, the NHS have not been overwhelmed to date and this has resulted in some facilities being returned to the private sector. Whilst things are certainly not back to 'normal', some non-urgent elective procedures are now taking place. Therefore, private medical insurance policies are starting to see more claims being put through though it is interesting to note that the UK is seeing people defer treatment due to a lack of confidence, as a result of COVID-19.

As it is so important for some people to get treatment, especially for serious conditions such as cancer, If anyone holding private medical insurance needs to make a claim, they should call the insurer's claims team and they will be able to confirm treatment availability and discuss options.

The situation has developed constantly over the last few months and no doubt will continue to do so over the coming months. I will certainly be keeping a close eye on developments and if you would like to discuss this topic in more detail, please do get in touch.