

LCP Risk Benefits Consulting

PRIVATE MEDICAL INSURANCE/HEALTHCARE BENEFITS

SEPTEMBER 2011

LCP's dedicated Risk Benefit Consulting team can help design and implement private medical insurance arrangements that meet employees' needs whilst balancing the cost to the employer.

Private medical insurance (PMI) is highly valued by employees with many organisations providing this benefit to at least some employees. A key issue for employers is managing the cost of PMI which continues to rise year on year.

Combining our benefits knowledge and insurance market expertise we can assist employers in seeking value for money, while ensuring that the benefits provided continue to offer employees access to appropriate treatment and services, helping them return to work as soon as possible following illness or injury.

LCP helps employers to consider its private medical insurance arrangement in conjunction with its wider healthcare benefits and objectives such as income protection, absence management, health screening and employee assistance programmes.

LCP can assist with:

- All sizes of policy ranging from small "community (age) rated" policies to large "experience (claims) rated" policies
- Policies on a "fully insured", "profit share" or "cost plus" basis and larger arrangements under Trust
- UK and expatriate private medical insurance arrangements

See overleaf for details of an LCP case study of how LCP helped a client to review their existing medical insurance arrangements.

Benefit design options to manage employer costs include:

- Focusing cover on employees without removing cover for dependants
- Outpatient benefit limits
- Overall claim limits
- Specific condition exclusions
- Excesses
- Medical underwriting options
- Restricted hospital access

LCP case study

Client objective: Review existing medical insurance arrangements

Under its existing PMI arrangement the employer had concerns over the level of cover provided – especially for musculo-skeletal conditions; the level of excess incorporated under the policy; and a restriction under the insurance which was preventing members from being treated quickly.

The employer was also concerned about the quality of customer service provided by its existing insurer.

Working with LCP, the employer was able to:

- Better understand the nature of the PMI benefits it provided and be in a position to consider alternative benefit designs;
- Amend the PMI benefit basis to better assist with employee rehabilitation - including removing certain restrictions which were preventing members from being treated quickly and delaying their return to work;
- Improve the cover under the policy at no extra cost (compared to the premium paid at the previous renewal);
- Demonstrate to employees that action had been taken following concerns raised regarding the previous insurer's service;
- Manage a successful transfer of the insurance for the membership; and
- Implement improved membership administration processes going forward.

Contact us

If you are interested in learning more about how we can help you, please contact the partner who normally advises you or our specialist Nadia Sira.



Nadia Sira

Consultant

nadia.sira@lcp.uk.com
+44 (0)20 7432 0603

LCP is a firm of financial, actuarial and business consultants, specialising in the areas of pensions, investment, insurance and business analytics.

Lane Clark & Peacock LLP
London, UK
Tel: +44 (0)20 7439 2266
enquiries@lcp.uk.com

Lane Clark & Peacock LLP
Winchester, UK
Tel: +44 (0)1962 870060
enquiries@lcp.uk.com

Lane Clark & Peacock Belgium CVBA
Brussels, Belgium
Tel: +32 (0)2 761 45 45
info@lcpbe.com

Lane Clark & Peacock Ireland Limited
Dublin, Ireland
Tel: +353 (0)1 614 43 93
enquiries@lcpireland.com

Lane Clark & Peacock Netherlands B.V.
Utrecht, Netherlands
Tel: +31 (0)30 256 76 30
info@lcpnl.com

LCP Libera AG
Zürich, Switzerland
Tel: +41 (0)43 817 73 00
info@libera.ch

LCP Libera AG
Basel, Switzerland
Tel: +41 (0)61 205 74 00
info@libera.ch

LCP Asalis AG
Zürich, Switzerland
Tel: +41 (0)43 344 42 10
info@asalis.ch

Lane Clark & Peacock UAE
Abu Dhabi, UAE
Tel: +971 (0)2 658 7671
info@lcpgcc.com

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