



OFFICE OF FAIR TRADING

Report to the Office of Fair Trading

Core Terms Products

Volume 1 of 3

Private Medical Insurance

Final Report - 24 February 1998

The findings of this research are made available as a basis for further discussion. The views expressed are those of the Consultants and do not necessarily represent the views of the Office of Fair Trading.

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1. Introduction and Overview

1.1 Introduction

Consultants have been retained by the OFT (Office of Fair Trading) for the PMI (private medical insurance) Core Terms Project.

1.2 Reliances and Limitations

This report has been based on PMI market experience and on the limited desk research carried out for the purposes of the project. The primary research inputs were the policy wordings obtained from several PMI insurers. In view of the difficulties encountered in obtaining PMI policy wordings, our research database was incomplete and in some cases out-of-date. Consequently, this report does not purport to represent a comprehensive current view of the individual consumer product offerings of all the PMI insurers in the UK.

The scope of the research and the report was restricted to a selection of individual consumer PMI products for the UK. Accordingly, we have not reviewed either group PMI products or international PMI products for UK residents.

1.3 Methodology

Our approach has been to review the literature obtained for the purposes of the project from a selection of the leading PMI insurers in the market, for individual consumer PMI business. We have then proceeded to build a generic PMI Core terms product structure that could potentially be utilised by most PMI insurers in the UK. Although the Core terms product structure took account of several actual PMI products, it is not based on any particular PMI product. Rather, it is a synthesis by the report authors, who made their own judgmental decisions on the more interesting product elements.

Our approach also tried to build the PMI Core terms product structure from the viewpoint of an interested informed consumer who was a potential PMI customer. Our starting point was that such a consumer would wish to compare the product features of competing potentially interesting products. In order to facilitate such comparisons, it would be important to compare the policy definitions, general conditions and general exclusions applied by competing PMI insurers.

Our approach recognised that PMI applicants wish to compare product prices, both now and for future years. This desire by the consumer to have information on the expected prices takes account of the commonly held view that, although individual PMI is generally sold as a short term monthly or annual insurance product, most individual PMI customers are generally trying to make a lifetime purchasing decision.

1.4 Executive Summary

The methodology was based on desk research, supported by a mystery shopping exercise on PMI product prices. Although we reviewed the PMI products offered to individual consumers by

several PMI insurers, we did not base the product template on any PMI product. Rather, it is a personal view based on an amalgam of several PMI products, overlaid with our (arbitrary) interpretation of preferred product definitions and product design elements. Based on the work carried out for this study, our principal conclusions are set out below:

1. Most of the leading PMI insurers seems to have developed their own preferred policy definitions, general conditions and exclusions. Although some of the reasons are historical, we suspect that competitive market pressures have encouraged some insurers to make their products difficult to compare with those of their competitors.
2. A by-product of this report is that some PMI insurers may be encouraged to review their policy wordings in the light of these PMI Core terms and moves towards a common set of policy definitions, conditions and exclusions, if only to help vulnerable consumers to understand exactly what is on offer and how it stacks up against the competition.
3. We have focused on the generic technical product design features, rather than on the commercial aspects that are subject to competitive market pressures. As an additional item, we also carried a limited mystery shopping exercise; the results are contained in Section 7. In practice, the mystery shopping exercise was problematic, due to the reluctance of insurers to quote for a variety of alternative risk details for applicants residing at the same address.
4. Annex A contains the PMI Core terms, which is series of numbered product elements that can be used to specify a PMI product. There will not be an exact fit with actual PMI products, due to policy wording differences between the PMI insurers. Although beyond the scope of this report, we have also tested the PMI Core terms against six actual PMI products.
5. Annex B contains a selection of premium rates for the PMI insurers that still publish their consumer premium rates. Annex B was prepared in the light of the difficulties experienced in obtaining premium rate quotations from the larger PMI insurers that do not publish their consumer rate tables. We have set out the quinquennial premium rates, by gender, for six PMI insurers, for both comprehensive and budget products.
6. We originally planned to build two common core benefits templates, one for 'comprehensive' PMI products and one for 'budget' PMI products, each with modifications to accommodate the other benefit features (additions and subtractions) that are specific to particular insurers. In the event, we have been able to prepare a more comprehensive generic product template that allows for most of the variations that seem to be present in the current market place.
7. Our overall conclusion is that it is possible to introduce the notion of a PMI Core terms 'standard', with the specific variations required by PMI insurers being noted as additions or subtractions to the standard PMI product. Furthermore, the existing PMI products can be measured against this standard, and interpreted by informed trade journalists and others, in the public interest. Given that most individual PMI consumers are planning for lifetime coverage, albeit via annual renewals of short term PMI products, it is important that they are

in a position to make informed choices of PMI suppliers. Our thesis is that these choices will be better informed if PMI insurers are required to justify their PMI products against a 'standard' product.

2. Benefits – Typical Benefits Summary

We have set out below a typical summary benefits schedule.

<p>In-patient and Day-patient Care</p> <p>Treatment at Select Hospital</p> <p>Treatment in a NHS pay-bed</p> <p>Accommodation and Nursing</p> <p>Drugs and dressings (prescribed)</p> <p>Operating theatre charges</p> <p>Surgeons & anaesthetists fees</p> <p>Physicians fees</p> <p>Radiotherapy & Chemotherapy</p> <p>Consultations and physiotherapy</p> <p>Pathology and radiology</p> <p>Private ambulance</p> <p>Hospital accommodation in respect of parent accompanying an insured child under age 9</p> <p>Treatment at other hospitals: Benefits as for Select Hospitals and NHS pay-beds</p>	<p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full - within Insurer guidelines</p> <p>In Full - within Insurer guidelines</p> <p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full - <i>if sharing a room</i></p> <p>Lesser of the actual charge or the average cost of equiv. treatment across all Select Hospitals</p>
<p>Home Nursing immediately following Treatment as In-patient or Day-Patient on Specialist recommendation</p>	<p>In Full</p>
<p>Out-patient treatment</p> <p>Consultations and therapies (Chiro/Osteo/phys)</p> <p>Pathology and radiology</p> <p>Radiotherapy and chemotherapy</p> <p>Acupuncture and homeopathy</p>	<p>In Full</p> <p>In Full</p> <p>In Full</p> <p>In Full</p>
<p>GP Minor Surgery - defined procedure list</p> <p>Recuperative Care</p> <p>Hospice Care</p> <p>Physiotherapy, Chiropractic, Osteopathy by a Qualified therapist on GP referral</p> <p>Maternity Cash</p> <p>NHS Cash</p>	<p>£y(1) per procedure</p> <p>Not applicable</p> <p>£y(2) per day, up to y(3) days, max. £y(4)</p> <p>In Full</p> <p>Not applicable</p> <p>£y(5) per day, up to y(6) days, max. £y(7)</p>
<p>Optional Excess</p>	<p>£y(8), £y(9) or £y(10) per insured person per policy year</p>

3. Benefits Table

Section 1

In-patient and Day-patient Care (Comprehensive and Budget plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **in-patient** or **day-patient** at a **hospital** in our **Directory of Hospitals** or an NHS pay bed during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
1. Accommodation and Nursing	Accommodation Patient Meals Nursing Fees	<p>We exclude treatment received in health hydros, nature cure clinics or similar establishments, and nursing homes attached to such establishments.</p> <p>We exclude hospital charges:</p> <ul style="list-style-type: none"> ➤ If for any reason the hospital has effectively become or could be treated as being the home or permanent abode of the insured person ➤ Where admission to the hospital is arranged wholly or partly for domestic reasons ➤ For purposes of rehabilitation ➤ For alcoholic drinks, telephone calls, newspapers, magazines and visitors' meals <p>The type of accommodation available cannot be guaranteed.</p>
2. Drugs, medication and dressings	Drugs Dressings (e.g. bandages, plasters) Permanent artificial aids (e.g. prosthesis, pacemaker)	<p>We exclude:</p> <ul style="list-style-type: none"> ➤ Drugs and dressings other than those prescribed by a specialist for use during the course of treatment as an inpatient or day-patient ➤ Drug therapy we decide, based on established medical practice in the UK, is experimental or unproven ➤ Temporary aids (e.g. support stockings, collars, crutches, wheelchairs)
3. Operating Theatre	Use of theatre and recovery room Theatre nurses and ancillary staff (e.g. porters) Anaesthetic gases Theatre consumables (e.g. gloves, swabs) Drugs administered in the theatre	
4. Specialists' fees	Fees for: Surgeons Anaesthetists Physicians Other specialists as appropriate	Fees are limited to our published guidelines. Fees need to be customary and reasonable.
5. Investigations and diagnostics specified by a specialist	Tests such as: X-rays including radiology, CT Scans, MRI Scans Pathological Tests Physiological Tests	
6. Other treatments specified by a specialist	Radiotherapy Chemotherapy Physiotherapy	

3. Benefits Table

Section 2

In-patient and Day-patient Care (Comprehensive and Budget plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **in-patient** or **day-patient** at a **hospital** in our **Directory of Hospitals** or an NHS pay bed during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
7. Hospital accommodation for a parent or guardian sharing a room with a child under the age of x(1)	Accommodation and meals for 1 parent or guardian who shares a room with a child under the age of x(1)	We exclude <ul style="list-style-type: none"> ➤ Means for parents and guardians not sharing accommodation with the child ➤ Alcoholic drinks, telephone calls, newspapers and magazines ➤ Charges for a second parent or guardian ➤ The cost of local hotel or other accommodation ➤ Charges for any person other than a parent or guardian We will only pay this benefit if we have agreed to pay for the treatment the child is receiving
8. Intensive care treatment	Planned intensive care treatment we agree to pay for Unplanned intensive care treatment we agree to pay for , in the same private hospital	We exclude unplanned intensive care treatment , as an outcome of treatment we agree to pay for , if it is provided in an NHS hospital
9. A surgical operation to restore insured person's appearance after an accident or as a result of surgery for cancer	We will only pay benefits for this type of treatment if the treatment is part of the treatment for the accident or cancer	The insured person must have had continuous periods of cover from the accident or surgery for cancer until the treatment under this policy
10. We will pay you £x(2) each day of free accommodation and treatment as an NHS in-patient or day-patient	The NHS benefit is payable only in relation to treatment received as an in-patient or day-patient which is covered under this policy	This benefit is limited to £x(3) per policy per insured person per period of cover and is instead of benefits 1 to 7 and 11

You are covered for expenditure incurred for the following benefits related to **treatment** received by an **insured person** as an **in-patient** or **day-patient** at **hospitals** other than in our **Directory of Hospitals** or an NHS pay bed during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
11. The same as benefits 1 to 9 above	The same as benefits 1 to 9 above	i. The amount payable will be the lesser of the actual charge or the average cost of equivalent treatment across all hospitals in our Directory of Hospitals ; or ii. Out-of-band maxima - type x(4) and values x(5)

3. Benefits Table

Section 2

In-patient and Day-patient Care (Comprehensive plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **in-patient** or **day-patient** at a **hospital** in our **Directory of Hospitals** or an NHS pay bed during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
12. Maternity Complications	Treatment arising from complications of pregnancy; Delivery by caesarean section from medical necessity; Treatment of hydatidiform mole, or ectopic pregnancy; Miscarriage; still birth; Treatment of postpartum haemorrhage; Retained placental membrane	We exclude <ul style="list-style-type: none"> ➤ Normal pregnancy (including termination, multiple and single childbirth) ➤ Induction of labour ➤ Elective Caesarean section ➤ Male and female birth control ➤ Infertility and investigations into the cause of infertility This benefit is only available to a person covered by the policy 12 months or more after their date included in the policy
13. Dental surgery as a day-patient or in-patient	Oral surgery performed by an oral surgeon such as: Surgically removing impacted wisdom teeth or a buried tooth root; Putting a natural tooth back into a gum after it is accidentally dislodged; Surgically removing a cyst on the jaw	We exclude <ul style="list-style-type: none"> ➤ Check ups and examinations ➤ Fillings ➤ Bridge work ➤ Crowns ➤ Extractions under local anaesthetic
14. Private ambulance services	Travel in a private road ambulance: from home to hospital or hospice ; from one hospital or hospice to another; from hospital or hospice to home;	Must be incurred out of medical necessity as an in-patient to travel to and from receiving private treatment

You are covered for expenditure incurred for the following benefits related to **treatment** received by an **insured person** as an **in-patient** or **day-patient** at **hospitals** other than in our **Directory of Hospitals** or an NHS pay bed during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
15. The same as benefits 12, 13 and 14 above	The same as benefits 12, 13 and 14 above	i. The amount payable will be the lesser of the actual charge or the average cost of equivalent treatment across all hospitals in our Directory of Hospitals ; or ii. Out-of-band maxima - type x(6) and values x(7)

3. Benefits Table

Section 3

Out-patient Care (Budget plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **out-patient** during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
16. x(8) days home nursing	Up to x(9) days of home nursing by a qualified nurse per person covered by the policy per period of cover	This benefit is only available where a Specialist recommends it is medically necessary and the nursing immediately follows in-patient or day-patient treatment which is covered under your policy
17. Investigations and diagnostics specified by a Specialist	Tests such as: X-rays including radiology, CT Scans, MRO Scans; Pathological Tests; Physiological Tests	The benefit must be directly associated with in-patient or day-patient treatment which is covered by your policy ; expenses must be incurred within x(10) days of treatment as an in-patient or day-patient
18. Other treatments specified by a Specialist	Radiotherapy; Chemotherapy	We exclude any treatment other than radiotherapy and chemotherapy
19. Minor surgery performed by a General Practitioner	We will pay the General Practitioner : Up to £x(11) for each procedure performed	Limited to procedures on our minor surgery list: i. Blood counts ii. Tests for liver function and electrolytes iii. Chalazion operation iv. Operations for obstruction of the nasolacrimal duct v. Puncture of the maxillary antrum with washout vi. Pharyngoscopy vii. Laryngoscopy viii. Endoscopy (upper gastro-intestinal tract) ix. Sigmoidoscopy x. Ligation of varicose veins (below knee) xi. Diagnostic flexible cystoscopy xii. Colposcopy xiii. Marsupialisation of Bartholin's cyst xiv. Excision of ganglion xv. Carpal tunnel release xvi. diagnostic ultrasound (not obstetric)
20. Surgical treatment specified by a Specialist	Fees for surgeons, physicians, anaesthetists or other specialists ; Drugs, dressings and permanent artificial aids; Use of theatre recovery room; The cost of theatre nurses and ancillary staff; Anaesthetic gases; Theatre consumables	We exclude drug therapy which we decide, based on established medical practice in the UK, is experimental or unproven; We exclude all treatment other than that which is detailed above or which is treatment that would have been covered if it had been provided as an in-patient or day-patient and that is the established medical practice; We exclude temporary artificial aids (e.g. support stockings, collars, crutches, wheelchairs); Fees are limited to our published guidelines; Fees need to be customary and reasonable.

3. Benefits Table

Section 4

Out-patient Care (Comprehensive plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **out-patient** during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
21. Consultations with Specialists	Consultations with: Surgeons; Physicians; Other specialists as appropriate	
22. Home Nursing	Up to x(12) days of home nursing by a qualified nurse per person covered by the policy per period of cover	This benefit is only available where a Specialist recommends it is medically necessary and the nursing immediately follows in-patient or day-patient treatment which is covered under your policy
23. Investigations and diagnostics specified by a Specialist	Tests such as: X-rays including radiology, CT Scans, MRO Scans; Pathological Tests; Physiological Tests	
24. Other treatments specified by a Specialist	Radiotherapy; Chemotherapy	We exclude any treatment other than radiotherapy and chemotherapy
25. Minor surgery performed by a General Practitioner	We will pay the General Practitioner : Up to £x(13) for each procedure performed	Limited to procedures on our minor surgery list: i. Blood counts ii. Tests for liver function and electrolytes iii. Chalazion operation iv. Operations for obstruction of the nasolacrimal duct v. Puncture of the maxillary antrum with washout vi. Pharyngoscopy vii. Laryngoscopy viii. Endoscopy (upper gastro-intestinal tract) ix. Sigmoidoscopy x. Ligation of varicose veins (below knee) xi. Diagnostic flexible cystoscopy xii. Colposcopy xiii. Marsupialisation of Bartholin's cyst xiv. Excision of ganglion xv. Carpal tunnel release xvi. diagnostic ultrasound (not obstetric)
26. Physiotherapy, chiropractic and osteopathy	Treatment by: Physiotherapists or Chiropractors or Osteopaths	If the referral is from a General Practitioner these benefits are available for a maximum of x(14) sessions per person covered by the policy per period of cover for all of these treatments in total
27. Alternative medicine	Treatment by: Acupuncturists or Homeopathists	The person covered by the policy must be referred to an acupuncturist or homeopathist by a specialist and treatment must remain under the control of the specialist

3. Benefits Table

Section 4

Out-patient Care (Comprehensive plans)

You are covered for expenditure incurred for the following benefits related to treatment received by an **insured person** as an **out-patient** during the **period of cover**

Benefit Type	Benefits Included	Benefits Excluded or Restricted
28. Surgical treatment specified by a Specialist	Fees for surgeons, physicians, anaesthetists or other specialists ; Drugs, dressings and permanent artificial aids; Use of theatre recovery room; The cost of theatre nurses and ancillary staff; Anaesthetic gases; Theatre consumables	We exclude drug therapy which we decide, based on established medical practice in the UK, is experimental or unproven; We exclude temporary artificial aids (e.g. support stockings, collars, crutches, wheelchairs). Fees are limited to our published guidelines. Fees need to be customary and reasonable.
29. We will donate to the hospice : £x(15) for each night as a patient in a hospice	The benefit is payable in relation to the care received as a patient of a hospice and must relate to a medical condition which has been the subject of a prior valid claim under your policy	We will not donate more than £x(16) in respect of a person covered by the policy who is a patient in a hospice per period of cover
30. NHS maternity cash grant of £x(17) per child	The benefit is payable when it is a NHS delivery (free of charge) or when occupying a NHS amenity bed	The benefit is subject to a x(18) month waiting period from the Date of Entry (or Cover Start Date).
31. Maternity costs at home or hospital delivery	Up to £x(19). Benefit is payable for attending Specialist and Midwifery charges	This benefit replaces all other benefits in cases where there are no known abnormalities in the pregnancy
32. General Practitioner and Complementary Therapist treatment	Up to £x(20) per Policy Year . Includes ante-natal and post-natal treatments provided by a Practitioner , other than a Specialist	
33. Out-patient prescriptions	Up to £x(21) per Policy Year . The benefit is payable for treatment by a General Practitioner or a Specialist	We will not pay for items which are freely available without prescription. Claims must be submitted with the original receipted Pharmacist's account
34. Dental treatment	Up to £x(22) per Policy Year . The benefit includes the costs of prosthesis	The benefit is subject to a x(23) month waiting period from the Date of Entry (or Cover Start Date), except for orthodontic and periodontal treatment, where the waiting period is x(24) months. Detailed maxima apply for each dental procedure
35. Spectacles and Contact lenses provided under prescription	Up to £x(25) per Policy Year .	The benefit is subject to a x(26) month waiting period from the Date of Entry (or Cover Start Date). Detailed maxima apply for each item of service; proof of prescription is required

36. GP payments for claim form completion	£x(27) per claim form completed by a General Practitioner	The benefit is payable only for NHS patients
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4. General Conditions

The following general conditions apply to all parts of the **policy**.

1. The date for determining the entitlement to benefit and the benefits available for **treatment** shall be the actual date of provision of that **treatment**.
2. All **treatment** for which benefit is claimed must be approved by a **General Practitioner** or **Specialist**, be reasonable and necessarily incurred and be wholly and exclusively for the purpose of **treatment**.
3. Benefits may be claimed only for the benefits specified in this **policy** if they are provided in the **United Kingdom**.

4. Compliance with policy terms

Our liability under this **policy** will be conditional upon **you** and each **person covered by the policy** complying with the **policy** terms and conditions.

5. Change in circumstances

You must inform **us**, as soon as is reasonably possible, of any changes relating to **persons covered by the policy** (such as change of address, occupation or marital status) or of any other material changes which affect information given in connection with the application for cover under this **policy**. In line with reasonable underwriting practice we reserve the right to alter the premiums or **policy** terms or cancel cover for a **person covered by the policy** following a change in risk. Changes will not be backdated to before the date on which **we** receive such notification, but we reserve the right to backdate if **we** do not receive prompt notice of such changes.

6. Policy duration and premiums

- i. The **policy** is an annual policy and where agreed by the parties can be renewed for further periods of one year subject to the terms in force at each renewal date. The number of valid claims made will not influence us in our decision to invite renewal.
- ii. All premiums are payable monthly in advance.

7. Children (up to age 21)

- i. **Persons covered by the policy** who are **children** will cease to be covered at the **renewal date** following **their 21st** birthday.

- ii. A **child** born to a **person covered by the policy** during the **period of cover** and whose birth has been notified to **us** (in writing and including an application form or birth certificate) within three months of birth can be added to the **policy** on the same level of cover as the parent, from the date of notification regardless of health. No premium will be payable for the **child** for three months from the date of birth, or to the next **renewal date**, whichever is the lesser period. If the **child** added to the **policy** is the eldest **child**, the relevant premium will be charged after this period.
- iii. For as long as a **person covered by the policy** and his or her eldest **child** under the age of 21 are covered under the **policy**, the younger **children** (maximum of 8) if any may be covered under the **policy** at no additional premium provided we have received a completed application form for such **children**. As each **child** of a **person covered by the policy** successively reaches the age of 21, a premium will be charged at **our** current rate for the next eldest **child**.
- iv. Children over the age of 21 can be covered under a separate **policy** in **their** own name.

8. Children (up to age 24)

- i. **Persons covered by the policy** who are **children** will cease to be covered at the **renewal date** following **their** 24th birthday.
- ii. A **child** born to a **person covered by the policy** during the **period of cover** and whose birth has been notified to **us** (in writing and including an application form or birth certificate) within three months of birth can be added to the **policy** on the same level of cover as the parent, from the date of notification regardless of health. No premium will be payable for the **child** for three months from the date of birth, or to the next **renewal date**, whichever is the lesser period. If the **child** added to the **policy** is the eldest **child**, the relevant premium will be charged after this period.
- iii. For as long as a **person covered by the policy** and his or her eldest **child** under the age of 20 are covered under the **policy**, the younger **children** if any may be covered under the **policy** at no additional premium provided we have received a completed application form for such **children**. As each **child** of a **person covered by the policy** successively reaches the age of 20, a premium will be charged at **our** current rate for the next eldest **child** under the age of 20. **Children** over the age of 19 but under the age of 24 may continue to be covered under the **Policy** at **our** rates then prevailing.
- iv. Children over the age of 24 can be covered under a separate **policy** in **their** own name.

9. Dependent Children

Where the premiums are based on “family” and “single parent family” rates, rather than having separate premiums for each Insured Person, the Policy generally uses the term dependent children rather than children.

Dependent children are **children** who are unmarried **Insured Persons**. When **children** become married, they can be covered under a separate **policy** in **their** own name, with effect from the next **renewal date**.

10. Alterations

We may alter any of the terms of this policy at any renewal date. A copy of the relevant policy terms will be sent to you at such time. Continued payment of the premium is deemed to be acceptance of any revised terms.

11. Fraudulent/unfounded claims

We will not pay any claim which is in any respect fraudulent or exaggerated. In these circumstances **we** reserve the right to void the **policy** and recover any payment that has been made.

12. Waiver

If in a particular instance we do not rely on all the conditions of this policy, this does not mean we cannot rely on them in future.

13. When cover will end

- a) All cover under this **policy** will end when:
 - i. You fail to pay any premium when it is due; or
 - ii. You send written notice of cancellation to us; or
 - iii. You are no longer a resident of the United Kingdom, whichever happens first.

- b) Whilst we will not cancel this **policy** because of eligible claims **you** make on behalf of a **person covered by the policy**, we may at any time terminate their cover or impose different terms or cancel their **policy** altogether if they or you have at any time:
 - i. Misled us by mis-statement or concealment;
 - ii. Knowingly claimed benefits for any purpose other than provide for under this **policy**;
 - iii. Otherwise failed to observe the terms and conditions of this **policy** or failed to act with utmost good faith.

14. Jurisdiction

This **policy** is governed by and shall be construed in accordance with the Laws of England and Wales.

15. Other Insurances

We will settle **your** claim on a rateable proportionate basis if a **person covered by the policy** is covered by other insurance for the same illness or injury.

16. Subrogation

The payment of claims is dependent on a **person covered by the policy**'s recognition of our right to:

- i. take over or investigate and conduct any negotiations or legal action in connection with any claims under your **policy**;
- ii. take proceedings necessary to recover any payment made under this **policy**, for our own benefit.

17. Provision of information

You are responsible for ensuring that the information you give **us** about any **person covered by the policy** is truthful, complete and up to date, to the best of your knowledge and belief.

18. Cancellation

This **policy** will stand cancelled automatically upon non-payment of the premium, although **we** may at **our** discretion reinstate the cover if the premium is paid within 30 days of its due date. Whilst we will not cancel this policy because of eligible claims made by any insured person, we may at any terminate an insured person's cover or subject his/her cover to different terms in line with reasonable underwriting practice if he/she or the policyholder has at any time:

- i. misled us by mis-statement or concealment;
- ii. knowingly claimed benefits for any purpose other than as are provided for under this policy;
- iii. agreed to any attempt by a third party to obtain an unreasonable pecuniary advantage to our detriment;
- iv. otherwise failed to observe the terms and conditions of this policy or failed to act with utmost good faith.

If **we** do cancel this **policy** for reasons i to iv above **we** shall give **you** 30 days' notice sent by first class post or delivered by hand to **your** last known address. If **we** do so, **you** may be entitled to a proportionate refund of premium.

19. Transfer

If the **Policyholder** dies this **policy** will automatically be transferred to the oldest **Insured Person** over the age of 18 years who shall upon the date of death of the **Policyholder** for all purposes of this **Policy** and be responsible for paying the premium.

20. The policy information contained herein is issued on behalf of the insurer.
21. The insurer has undertaken to comply with the Association of British Insurers (ABI) Code of Practice for the selling of General Insurance and is designated as a Company Agent for which the company it represents accepts responsibility. A copy of the Code is available on request.

22. **Future Premium Rates**

Premiums and cover may vary on renewal. Because of claims and increases in costs, premiums may increase on renewal faster than the increase in the Retail Prices Index. The rate of Insurance Premium Tax may change.

5. General Exclusions

The following general exclusions apply to all parts of the **policy**.

We will not pay claims for:

1. treatment of any illness, injury or **related condition** which any **person covered by the policy**:

- i. sought **advice** on or;
- ii. had symptoms of or;
- iii. received **treatment** or **preventative medicine** for;

before **their date included in the policy**
unless the illness, injury or **related condition**:

- was fully disclosed to **us** in writing on our Application Form and **we** have not expressly excluded **treatment** relating to it in the **Personalised Policy Exclusions**;
or
- occurred outside the time limits specified in the Application Form and there have been no further occurrences of **advice, treatment, preventative medicine** or symptoms within the time limits.

2. accident and emergency treatment and any subsequent **treatment** relating to an **accident and emergency** admission to **hospital** within four weeks of **hospital** discharge.

3. treatment other than **treatment** that is in **our** opinion an **acute medical illness or injury** i.e. that in **our** opinion is likely to continue or to keep recurring.

4. treatment by a **specialist** without originally being referred by the **person covered by the policy's General Practitioner**.

5. treatment relating directly or indirectly to the **Personalised Policy Exclusions**.

6. treatment relating directly or indirectly to the other **General Exclusions** set out herein.

7. Male and female birth control.

8. Termination of pregnancy.

9. Infertility treatment of any kind and investigations into the causes of infertility.

HIV/AIDS Clause - General Exclusion

10. Treatment attributable directly, or indirectly to infection by Human Immunodeficiency

Virus (HIV) and/or any HIV related illness, including but not limited to Acquired Immune Deficiency Syndrome (AIDS).

HIV/AIDS Clause – Limited Exclusion

- 11. Treatment** for or resulting from AIDS or HIV or *treatment* for or resulting from any condition which is related to or a result of AIDS or HIV. This exclusion will not apply if the person with AIDS or HIV did not have AIDS or HIV during their first five years as an **Insured Person**, or if they have been an **Insured Person** since before July 1987 without a break in cover.

HIV/AIDS Clause – Initial Diagnosis Cover

- 12. Treatment** of any **medical condition** which arises in any way from HIV infection except for its initial diagnosis and immediate **treatment**, when we will pay **in-patient** benefit for one stay of up to 28 days.
- 13. Treatment** for alcoholism, solvent abuse, drug abuse or addictive conditions of any kind and **treatment** of illness/injury arising directly or indirectly from such abuse or addiction.
- 14. Treatment** for psychiatric, psycho-geriatric or mental conditions of any kind.
- 15. Treatment** for myopia (short sightedness) or hypermetropia (long sightedness).
- 16. Treatment** of renal failure including dialysis (other than while receiving a kidney transplant or help to treat acute kidney failure following treatment).
- 17.** Any surgical procedure which is not listed in the **Schedule of Procedures** that is published by *us*, unless we have agreed beforehand.
- 18. Treatment** which will improve a **person covered by the policy's** appearance and/or **treatment** related or resulting from any surgical operation which removes body tissue which is not diseased whether or not for psychological or medical purposes
- 19.** Breast augmentation or reduction, where the tissue is not diseased.
- 20.** Spectacles; contact lenses; hearing aids; dentures; other optical, dental, surgical or medical appliances or equivalent devices (other than a prosthesis used as an integral part of **treatment**).
- 21.** Routine medical examinations (including sight testing).
- 22. Treatment**, including drug therapy, which **we** decide, based on established medical practice in the United Kingdom, is experimental or unproven. **We** may decide, at our discretion, if a **person covered by the policy** is offered this type of **treatment**. In this instance, **they** must receive **our** written permission before receiving the **treatment** subject to terms and

conditions **we** may decide.

23. **Treatment** as a consequence of injury sustained while participating in, or training for, sport on a professional basis.
24. **Treatment** directly or indirectly arising from or required as a consequence of :
 - i. active participation in a riot, strike, civil commotion, criminal act, insurrection, war (whether declared or not) or invasion;
 - ii. contamination by radioactivity or chemicals;
 - iii. wilfully self inflicted injury.
25. **Treatment** of sleep apnoea, snoring or other sleep disorders.
26. **Treatment** for gender reassignment.
27. **Treatment**, which we think the main purpose or effect of which is to provide temporary relief of symptoms. We may pay for **benefits** for this **treatment**, at our discretion, if you need it to relieve the symptoms of a terminal disease or illness.
28. **Treatment**, which we think the main purpose or effect of which is to relieve symptoms commonly associated with any bodily change arising from physiological or natural causes, such as ageing, menopause or puberty and which is not due to any underlying disease, illness or injury.
29. Any *dental* or oral surgical *treatment* or procedure unless it is a *surgical operation* carried out by a *specialist* for:
 - i. putting a natural tooth back into a gum after it was knocked out or dislodged in an accident;
 - ii. surgically removing a complicated buried tooth;
 - iii. surgically removing an impacted or buried tooth;
 - iv. surgically removing a cyst on the jaw.
30. Any *intensive therapy* unless it is normally needed following a surgical procedure or a medical condition listed in the *schedule of procedures* at the time that you receive the *treatment*. We may, at our discretion, pay benefits for *intensive therapy* in other circumstances even if it is not normally needed. We will only pay if the treatment is part of private *treatment* as an *in-patient* or a *day-patient*.
31. We will not pay for *in-patient* rehabilitation for more than 28 days except in cases such in severe central nervous system damage.
32. **Treatment** directed towards developmental delay in children whether physical or psychological, or learning difficulties.

33. **Treatment** for mental or addictive conditions or problems.
34. Any form of transplant surgery or any **treatment** related to or resulting from this type of surgery.
35. The costs of collecting donor organs for transplant surgery or any administrative costs involved.
36. **Treatment** for or resulting from or related to any sexually transmitted disease.

Routine Medical Services Clause

37. The costs of eye tests, vaccinations, routine medical examinations or general health checkups; treatment of a routine or preventative nature; or treatment connected with birth control, which includes vasectomy, sterilisation (or reversing the process), and terminating pregnancy for non-medical reasons.

Accident and Emergency Clause

38. **Treatment** by a **Specialist** without referral from the **insured person's General Practitioner** except for **treatment** in an emergency but only if the **insured person's General Practitioner** is kept fully informed of the **treatment** so that he/she is able to support a claim for benefit.

Moratorium Clauses

39. **Treatment** of any illness or injury, otherwise covered by this **policy**, which existed or was foreseeable prior to or which recurs after the **insured person's date of entry**, until a continuous period of two years has gone by after the **date of entry** during which no **treatment** has no taken place and no **advice** has been given in respect of that illness or injury or a **related condition**.

or

40. **Treatment** of any **medical condition** or **related condition** which the Insured Person:
 - i. has received medical **treatment** for;
 - ii. had symptoms of;
 - iii. asked advice on; or
 - iv. to the best of your or their knowledge and belief were aware existed;

in the five years before the **cover start date**. This is called a **pre-existing** condition.

41. After two years of continuous insurance cover from the **cover start date**, all **pre-existing medical conditions** will become eligible for benefit. However, this applies if, when you first receive treatment, the Insured Person has not:

- i. consulted any doctor for medical **treatment** or **advice** (including checkups); or
- ii. taken medication (including drugs, medicines, special diets or injections);

for that medical condition or any related condition for a continuous period of two years.

International Treatment Clause

42. **Treatment** received outside the United Kingdom, Channel Islands or the Isle of Man.

General Exclusions for Budget Plans

43. **Out-patient** and non-surgical **treatment** other than those listed in Benefits, Section 3.

44. **Treatment** arising from or required in connection with pregnancy or childbirth.

45. **Treatment** by a **General Practitioner** (other than **minor surgery**) and diagnostic work including pathology and radiology, which is specifically requested by the **General Practitioner**.

46. Any dental **Treatment**, whether or not involving an oral surgical operation.

General Exclusions for Comprehensive Plans

47. **Treatment** by a **General Practitioner** (other than **minor surgery**) and diagnostic work including pathology and radiology, which is specifically requested by the General Practitioner (other than physiotherapy, osteopathy and chiropractic).

48. **Any excess** shown in your **Personalised Policy Exclusions**.

6. Medical History Declaration

Each **Insurer** has their own Application Form medical history declaration. Some insurers ask more than 20 detailed questions, whereas other insurers ask as few as 5 broad-ranging questions. We have set out below a typical example of where a small number of broad-ranging questions are asked.

- i. In order to be able to establish exactly what your policy will and will not cover you for, we require details of the medical history of each person to be covered by the policy. Each person to be covered by the policy should consider each of the five questions on the right in turn and provide detailed answers in the space provided below for medical history. Answers for children aged under 16 should be provided by a parent or guardian.
- ii. Please answer the questions to the best of your knowledge and belief. You must disclose all material facts. These facts may influence the assessment of this application. If you are in doubt as to whether certain facts are material, you should disclose them. Failure to disclose relevant information could affect any future claims and may invalidate the policy entirely.
- iii. If more space is needed, please enclose the supplementary information on a separate sheet of paper, and attach to this form, duly signed and dated by the appropriate person. When answering questions 1 and 2, please use the conditions checklist below as a prompt to jog your memory about various medical conditions that may have been experienced by any person to be covered by the policy. Please note that the following are prompts only. If you have suffered from any condition or symptom that has not been mentioned please specify.

Question 1

During the last 2 years, has any person to be covered by the policy consulted a General Practitioner or medical healthcare professional or advisor or received any medical advice or treatment?

Question 2

During the last 7 years, has any person to be covered by the policy consulted with, or been referred to any specialist, or been referred or attended as a patient, or admitted to any hospital, clinic or nursing home, or been subjected to any medical investigations?

Question 3

Other than in connection with your earlier answers, has any person to be covered by the policy ever suffered from a long-term or recurrent illness or infirmity, abnormality or other impairment (whether or not a doctor has been consulted)?

Question 4

Other than in connection with your earlier answers, is any person to be covered by the policy

currently receiving any medical advice or treatment or expecting to do so?

Question 5

Other than in connection with your earlier answers, has any person to be covered by the policy ever had any form of joint replacement surgery?

7. Claims Settlement

1. If **you** think **you** need to make a claim you must tell **us** about it as soon as **you** can and in any event at least 7 days before treatment is due to start to enable **us** to confirm whether or not **your** claim is covered. If **you** do not do this **we** may not pay **your** claim (either in full or in part).
2. **You** must give **us**, at **your** expense, all assistance, information and evidence that **we** may reasonably ask for. **We** reserve the right to appoint an independent medical examiner at our expense.
3. If a **person covered under the policy** chooses to be treated at a **hospital** which is not in **our Directory of Hospitals and Clinics** at the date of the **treatment you** may have to contribute towards the cost. If this is the case we will tell you how much we will pay towards the treatment when we confirm the treatment is covered.
4. If a **person covered by the policy** chooses to be treated by a **specialist** who charges more than **our** published guidelines then **you** will have to contribute towards the cost. If this is the case **we** will tell **you** how much **we** will pay towards the **treatment** when **we** confirm the treatment is covered.
5. If possible **we** will settle bills directly with the **treatment** provider. **We** will tell **you** if **we** can do this when **we** confirm a **person covered under the policy's treatment** is covered. If **we** cannot settle the bills direct **you** can either pass the bill to **us** for payment, or pay it and we will refund you if **you** send **us** the receipted bills. This is after the deduction of any **excess** or other contribution **you** are obliged to pay.
6. If **we** accept a claim but cannot agree on how much we will pay **you**, **we** can refer the matter to an independent arbitrator **we** both agree to. This does not affect **your** right to refer the matter to the Insurance Ombudsman.

8. Redress

Telephone Helpline

We are confident that you will be more than happy with your **Policy**. However, if you decide you are not completely satisfied with this Policy please telephone us (on 0800) to talk through your concerns.

Free Trial Period

If you do not wish to accept this Policy, please tell us in writing within 28 days of receipt of our confirmation of your cover. Provided that you have not made a claim, we will refund in full any premiums paid.

Complaints Process – Stage 1

If you have any cause for complaint relating to how we have sold or administered your Policy, or if you are dissatisfied with the way in which your claim has been handled, then please write to us at the address below. Please also quote your policy number when possible.

Contact, Insurer, Address, Telephone Number

Complaints Process – Stage 2

We anticipate that most problems will be resolved at Stage 1. However, should the matter not be resolved to your satisfaction, you may refer your case to us at the address below.

Contact, Insurer, Address, Telephone Number

If the dispute cannot be resolved your complaint at Stage 2, the Insurers offer their preferred methods of dispute resolution. In each case, the plaintiff can decide to take legal action against the Insurer, although the likelihood of success may be influenced by the recommendations from the selected method of dispute resolution. The typical methods of dispute resolution are summarised below.

Complaints Process – Stage 3 – Method A

If we cannot resolve your complaint at Stage 2, you can then refer it to the Chartered Institute of Arbitrators, who provide a personal insurance arbitration scheme. It is a long-established and effective method of resolving disputes, by means of independent arbitration. The arbitration service is paid for by the **Insurer**. You can contact the Chartered Institute of Arbitrators at:

Contact, Chartered Institute of Arbitrators, Address, Telephone Number

This procedure does not affect any right of action that you may have against us.

Complaints Process – Stage 3 – Method B

If we cannot resolve your complaint at Stage 2, you can then refer it to the Association of British Insurers. You can contact either the Consumer Information Department in London, or else one of the Regional Offices of the ABI.

Contact, Consumer Information Dept., ABI, Address, Telephone Number

This procedure does not affect any right of action that you may have against us.

Complaints Process – Stage 3 – Method C

If we cannot resolve your complaint at Stage 2, you can then refer it to the Insurance Ombudsman. Please do not contact the Insurance Ombudsman until you have followed the complaints procedure above as he will not consider the complaint until our complaints procedure has been exhausted.

Contact, Insurance Ombudsman, Address, Telephone Number

We are bound by the Insurance Ombudsman's decision, but you are not. This procedure does not affect any right of action that you may have against us.

9. Glossary of Definitions

1. Accident and Emergency

An illness or injury that results in an admission to hospital without a *Specialist's* referral.

2. Accidental Injury

An injury directly caused by something accidental, outside the body, violent and visible. It does not include sickness, disease or any naturally occurring or deteriorating condition.

3. Accommodation Charges

The charge made by a hospital for *Treatment* as an *In-patient* or a *Day-patient* which includes the cost of the bed, meals, routine nursing services and housekeeping.

4. Acupuncturist

An acupuncturist means that person carrying on this profession whom we approve and who is a member of the British Medical Acupuncture Society.

5. Acute

Used to describe a condition of rapid onset, severe symptoms and brief duration.

6. Acute Medical Illness or Injury

An illness or injury which is capable of being cured or alleviated and after *Treatment* of which the *Insured Person* (or *person covered by the policy*) returns to *their* normal previous state and degree of activity.

7. Advice

Any consultation or *Advice* from a *General Practitioner* or *Specialist* including the issue of any prescription or repeat prescription.

8. Alcoholism

A mental or physical condition partly or totally caused by alcohol abuse.

9. Alternative Medicine

Treatment by an acupuncturist or homeopathist that is recognised by *us*.

10. Amenity Bed

National Health Service accommodation subject to part payment, as described in the National Health Service Act 1977, section 63.

11. Annual Renewal Date

The date 12 months after the *policy start date* (or the *Commencement Date*) and each anniversary of that date. Also known as the *Renewal Date*.

12. Appliance

A knee brace which is an essential part of a repair to a cruciate ligament or a spinal support which is an essential part of surgery to the spine.

13. Approved Independent Hospital

- i. an independent *Hospital* in the United Kingdom which is registered in accordance with United Kingdom legislation and which has *Specialist* facilities for carrying out major surgical operations
- ii. any facility included on *our* list of *Approved Independent Hospitals* current at the *Relevant Date*
- iii. any establishment which *we* regard in our sole discretion as being an appropriate facility for the provision of *Treatment* and only if *we* have specifically agreed to such an establishment prior to any *Treatment* being carried out.

14. Approved NHS Hospital

- i. Any NHS pay-bed.
- ii. Any NHS facility included on *our* list of *Approved NHS Hospitals* current at the *Relevant Date*
- iii. Any NHS establishment which *we* regard in our sole discretion as being an appropriate facility for the provision of *Treatment* and only if *we* have specifically agreed to such an establishment prior to any Treatment being carried out.

15. Benefits

The hospital charges, medical fees, cash and other benefits shown in the *Benefits Table*.

16. Benefits Table

The table applicable to *you* showing the maximum *Benefits* that *we* will pay for each *Insured Person*.

17. Child/children

A *person covered by the policy* who is under 21 years of age and who is the birth, adopted or step child of one of the adult *persons covered by the policy* or is under the guardianship of one of the adult *persons covered by the policy*.

18. Chiropractor

A professionally qualified member of the British or Scottish Chiropractic Association or the British Association of Applied Chiropractors or the McTimoney Chiropractic Association and that is recognised by *us*.

19. Chronic

A condition of long duration which may be expected to require an extensive period of supervision, observation or care for which *Treatment* provided will only offer relief or control of symptoms of a disease rather than cure.

20. Claim

The amount of benefit we agree is paid, after taking off any excess, for providing treatment for one **medical condition** of one of the *Insured Persons* covered under this **policy**. If there has been a break of more than six months between *Treatments*, or if *Treatment* has gone on for more than a year, we will treat it as a new *Claim* for any further *Treatment* after that date. In these circumstances, we will require an updated claim form and we will re-apply any *Excess* due on your *Policy*.

21. Claim (for No-Claims Discount Policies)

The amount of benefit we agree is paid, after taking off any excess, for providing treatment for one **medical condition** of one of the *Insured Persons* covered under this **policy**. If there has been a break of more than six months between *Treatments*, or if *Treatment* has gone on for more than a year, we will treat it as a new *Claim* for any further *Treatment* after that date. In these circumstances, we will require an updated claim form and we will re-apply any *Excess* due on your *Policy*. As a new claim this will also affect your No-Claims Discount.

22. Commencement Date

The date shown in the *Policy Schedule* on which cover under this *Policy* commences.

23. Complementary Therapist

A *Practitioner* who may already be separately defined or is a *Practitioner* being a member of a registered association or body which is recognised by *us*.

24. Consultant

A registered medical or dental practitioner aged less than 70 years who is a *Specialist* and is recognised by *us*.

25. Contract

Our contract of insurance with the *Policyholder*. Also known as the *Policy*.

26. Cosmetic

Treatment principally intended to improve the *patient's* appearance.

27. Cover Start Date

The date on which each *Insured Person's* cover starts. Also known as the date included in the policy, or the *Start Date*, or the *Effective Date*, or the *Date of Entry*.

28. Date included in the policy

The relevant date shown in the *Personalised Policy Certificate* on which a *person covered by the policy* was included under this *policy*. Also known as the *Date of Entry*, or the *Start Date*, or the *Effective Date*, or the *Cover Start Date*.

29. Date of Entry

The date shown in the *Policy Schedule* on which an *Insured Person* was included under this *Policy*. Also known as the *date included in the policy*, or the *Start Date*, or the *Effective Date*, or the *Cover Start Date*.

30. Day-case

An *Insured Person* (or *person covered by the policy*) who is admitted to a *hospital* for the sole purpose of the receipt of *Treatment* and who out of medical necessity occupies a bed but who does not remain overnight. *Day-case treatment* is also known as *Day-patient treatment*.

31. Day-patient

An *Insured Person* (or *person covered by the policy*) who is admitted to a *hospital* for the sole purpose of the receipt of *Treatment* and who out of medical necessity occupies a bed but who does not remain overnight. *Day-patient treatment* is also known as *Day-case treatment*.

32. Dental

Dental conditions are those which primarily involve a tooth or teeth and their surrounding tissue attachment.

33. Dental Condition

A *Dental Condition* is a condition which is normally treated by a *General Dental Practitioner*, *Periodontist* or an *Orthodontist*.

34. Dependants (where adults must be spouses)

Your husband or wife and any *child of yours* who is covered under the *Policy*.

35. Dependants (where adults need not be spouses)

Your partner but, if you do not have a **partner**:

- i. One adult relative who lives with and is supported by **you** and is, at the **Date of Entry**, under age 55 years;
- ii. any of **your** unmarried **children** who are under age 21 years at your **Date of Entry** or at any **annual renewal date**.

36. Dependent child or children

An unmarried child aged under 21 years or under 25 years if in full-time education, who lives with you or if applicable with his or her other parent. This includes your children who live away from home for the purpose of attending their place of full-time education.

37. Directory of Hospitals

The directory issued by **us** current at the **Treatment** date and relevant to the insurance cover shown on **your Policy Schedule (or Personalised Policy Certificate)**. Also known as the **Hospital Beds Directory** or the **Directory of Hospitals and Clinics**.

38. Directory of Hospitals and Clinics

The directory issued by **us** current at the **Treatment** date and relevant to the insurance cover shown on **your Policy Schedule (or Personalised Policy Certificate)**. Also known as the **Hospital Beds Directory** or the **Directory of Hospitals**.

39. Drug Abuse

A mental or physical condition caused directly or indirectly by taking any drug, substance or solvent unless it was prescribed by a **General Practitioner** or **Specialist**.

40. Effective Date

The date that the **Insured Person's** application is received and accepted by **us** and which is shown on the **Policy Schedule (or Personalised Policy Certificate)**. Also known as the **date included in the policy**, or the **Start Date**, or the **Cover Start Date**, or the **Date of Entry**.

41. Established Treatment

Established medical **treatments** are those which, at our discretion, are established clinical practice and are supported by publication in **United Kingdom** peer review journals and are carried out in more than one centre in the **United Kingdom**.

42. Excess

The amount which you have voluntarily agreed to bear for each **Insured Person** (or **person covered by the policy**) for whom a claim is paid in respect of treatment received in each **Period of Cover** and which is shown on **your Policy Schedule (or Personalised Policy Exclusions)**.

This amount will be applied against the first claim paid, and any subsequent claims paid if necessary for that *Insured Person* (or *person covered by the policy*), until the amount of the excess is met in full by *you* for each *Period of Cover*.

43. Evacuation

The transport of an *Insured Person* (or *person covered by the policy*) from the country of incident to the next nearest appropriate facility for the sole purpose of receipt of *Treatment* as an *In-patient* or a *Day-patient*.

44. Family Member

Your *partner* and your unmarried children (or those of your *partner*) living with *you* when *you* take out the *Policy* or when it is renewed. By *partner, we* mean your husband or wife or the person (whether or not of the same sex) *you* live with permanently in a similar relationship.

45. Fee Schedule

The schedule which we have issued and will from time to time issue or amend, which lists *Specialist* procedures and their appropriate Office of Population and Censuses and Surveys Codes (sometimes referred to as OPCS codes) and the amount of benefit we will pay.

46. General Dental Practitioner

A dental practitioner registered in General Dental Practice in the United Kingdom and recognised by *us*.

47. General Exclusions

A list of exclusions for which *Treatment* (for one or more *Insured Persons*, or *persons covered by the policy*) is not covered by this *Policy*.

48. General Practitioner

A General Medical Practitioner holding a Certificate of General Practice Training and registered with the General Medical Council in the United Kingdom and that is recognised by *us*.

49. GP secondary care

The following surgical/medical procedures performed by a GP:

- i. Blood counts
- ii. Tests for liver function and electrolytes
- iii. Chalazion operation
- iv. Operations for obstruction of the nasolacrimal duct
- v. Puncture of the maxillary antrum with washout
- vi. Pharyngoscopy

- vii. Laryngoscopy
- viii. Endoscopy (upper gastro-intestinal tract)
- ix. Sigmoidoscopy
- x. Ligation of varicose veins (below knee)
- xi. Diagnostic flexible cystoscopy
- xii. Colposcopy
- xiii. Marsupialisation of Bartholin's cyst
- xiv. Excision of ganglion
- xv. Carpal tunnel release
- xvi. Diagnostic ultrasound (not obstetric)

See *Minor Surgery*, a term used by some *Insurers* to denote a similar list of eligible GP surgical procedures.

50. Home Nursing

Skilled nursing care provided full-time (at least seven hours a day) by a *Nurse*. *Home Nursing* must be supervised by the *Insured Person's Specialist*.

51. Hospice

A *Hospital* or part of a *Hospital* recognised as a *Hospice* by *us* which is devoted to the care of patients with progressive disease (where curative *Treatment* is no longer possible) on an *In-patient* or domiciliary basis.

52. Hospital

- i. an independent *Hospital* in the United Kingdom which is registered in accordance with United Kingdom legislation and which has *Specialist* facilities for carrying out major surgical operations
- ii. an NHS pay-bed
- iii. any *Hospital* included on our list of *Select Hospitals* (or *Hospital Beds Directory*, or *Directory of Hospitals*, or *Directory of Hospitals and Clinics*)
- iv. any establishment which *we* regard as being an appropriate facility for the provision of *Treatment* and only if *we* have specifically agreed to such an establishment prior to *Treatment* being carried out.

53. Hospital Beds Directory

A document we publish which lists the *Hospitals* covered by the *Policy*. Also known as the *Directory of Hospitals* or the *Directory of Hospitals and Clinics*.

54. In-patient

An *Insured Person* (or *person covered by the policy*) who is admitted to a *Hospital* for the sole purpose of the receipt of *Treatment* and who out of medical necessity occupies a bed overnight.

55. Insurance Year

A period of 12 months from the *effective date*, or if appropriate, the *annual renewal date*. Also known as the *Policy Year*.

56. Insured Dependant

Your insured spouse, or your insured *children* (who must be unmarried at the *cover start date* and at each *annual renewal date*).

57. Insured Person

A person named as an *Insured Person* in the *Policy Schedule*. Also known as the *person covered by the policy*.

58. Insurer

The insurance company underwriting the *contract* of insurance. Also known as *us*.

59. Intensive Therapy

Treatment which you need to receive in an Intensive Care Unit, Intensive Therapy Unit, High Dependency Unit or Coronary Care Unit.

60. Main Address

Main address refers to the place where *you* and each of *your dependants* permanently and habitually live as *your* principal residence.

61. Maternity

Treatment under the direction of a *General Practitioner* or a *Specialist* to include:

- i. Pregnancy including associated ante-natal care
- ii. Delivery including associated hospitalisation and midwifery attendance
- iii. Post-natal care

62. Medical Condition

Any disease, illness or injury and/or associated symptoms covered by this *Policy* (or *Contract*).

63. Member

You and any *Family Member* included in your *Policy*.

64. Membership Statement

The statement issued by the *Insurer* (or *us*) containing details of the *contract* of insurance. Also known as the *Policy Schedule* or the *Personalised Policy Certificate*.

65. Minor Surgery

A surgical procedure classified in accordance with the list published by *us*.

See *GP secondary care*, a term used by some *Insurers* to denote a similar list of eligible GP surgical procedures.

66. NHS Hospital

A health service hospital as defined by Section 128 of the National Health Service Act 1977 or any changes to that Act.

67. Nominee

A nominee is that person *you* authorise, by a formal Power of Attorney or other document acceptable to *us*, to receive *benefits* on your behalf and to give *us* a receipt, as appropriate, for payment which shall in all respects be conclusive proof that *we* have fulfilled our obligations.

68. Nurse

A *Nurse* whose name is currently on any register or roll of nurses maintained by any statutory nursing registration body within the United Kingdom and that is recognised by *us*.

69. Obstetric procedures

The following are specific procedures relating to childbirth and conditions occurring either before or afterwards:

- i. Delivery – abnormal presentation
- ii. Caesarian section
- iii. Ectopic pregnancy
- iv. Hydatidiform mole
- v. Intra-uterine foetal transfusion
- vi. Evacuation of retained products
- vii. Removal of the retained placenta or products of gestation
- viii. External cephalic version for a breech presentation
- ix. Induction of abortion for foetal abnormality
- x. Shirodkar suture

70. Ophthalmic Practitioner

A *Practitioner* which shall include an Ophthalmologist, a Dispensing Optician or an Ophthalmic Optician.

71. Oro-Surgical Procedure

A dental procedure listed in the Schedule of Oro-Surgical Operations that is recognised by *us*.

72. Orthodontist

A *Practitioner* registered with the General Dental Council who holds a higher qualification in orthodontistry or who can adequately demonstrate to *us* approved *Specialist* accreditation.

73. Osteopath

A professionally qualified member of the General Council and Register of Osteopaths or the College of Osteopaths Practitioners Association and Register and that is recognised by *us*.

74. Out-patient

An *Insured Person* (or *person covered by the policy*) who receives *Treatment* at a *Hospital, Specialist's* consulting rooms or other facility recognised by *us* but not as a *Day-patient* or *In-patient*.

75. Partner

De facto spouse or other cohabitee as may from time to time be recognised for this purpose by the *Insurer* (or *us*).

76. Patient

The *insured person* being treated for an illness or injury.

77. Period of Cover

The period set out in the *Policy Schedule* (or *Personalised Policy Certificate*) during which cover is in place and for the premium has been paid.

78. Periodontist

A *Practitioner* registered with the General Dental Council who holds a higher qualification in periodontistry or who can adequately demonstrate to *us* approved *Specialist* accreditation.

79. Person(s) covered by the policy/them/their/they

A person named as a person covered by the *Policy* in the *Personalised Policy Certificate*. Also known as an *Insured Person*.

80. Personalised Policy Certificate

The certificate giving details of (amongst other things) the **Policyholder** and the **Insured Persons** (or **persons covered by the policy**).

81. Personalised Policy Exclusions

A list of illnesses or injuries for which **Treatment** (for one or more **Insured Persons**, or **persons covered by the policy**) is not covered by this **Policy**.

82. Physiotherapist

A Chartered or State Registered **Physiotherapist** that is recognised by **us**.

83. Plan

The name of the insurance product.

84. Policy (for *Approved Independent Hospitals*)

Our contract of insurance with the **Policyholder** providing the cover as detailed in this **Policy** document. The Application, **Policy Schedule** and list of **Approved Independent Hospitals** (current at the **Relevant Date**) form part of the contract and must be read together with this **Policy** document (as amended from time to time).

85. Policy (for *Approved NHS Hospitals*)

Our contract of insurance with the **Policyholder** providing the cover as detailed in this **Policy** document. The Application, **Policy Schedule** and list of **Approved NHS Hospitals** (current at the **Relevant Date**) form part of the contract and must be read together with this **Policy** document (as amended from time to time).

86. Policy (for *Directory of Hospitals and Clinics*)

Our contract of insurance with **you** (as amended on renewal) which is made up of this **Policy Information Booklet**, **your Personalised Policy Certificate**, any **Personalised Policy Exclusions**, **our Directory of Hospitals and Clinics**), the quotation and the Application Form filled in and signed by you , **and each person covered by the policy**. All of these must be read as one document.

87. Policy (for *Select Hospitals*)

Our contract of insurance with the **Policyholder** providing the cover as detailed in this **Policy** document. The Application, **Policy Schedule** and list of **Select Hospitals** (current at the **Relevant Date**) form part of the contract and must be read together with this **Policy** document (as amended from time to time).

88. Policyholder/you/your/yourself

The person named as *Policyholder* in the *Policy Schedule (or Personalised Policy Certificate)*.

89. Policy Information Booklet

The document issued by *us* to the *Policyholder* which gives details of what is covered by the *policy* and what to do if *you* have any questions or need to make a claim.

90. Policy Schedule

The schedule giving details of (amongst others), the *Policyholder* and *Insured Persons (or persons covered by the policy)* and endorsements (if any).

91. Policy Start Date

The date on which the Policy began. Also known as the *Commencement Date*.

92. Policy Year

A period of 12 months from the *policy start date* or from any *annual renewal date*.

93. Practitioner

Any General Practitioner, General Dental Practitioner, Specialist, Periodontist, Orthodontist, Physiotherapist, Nurse, Chiropractor, Osteopath or Ophthalmic Practitioner or any other practitioner from time to time recognised by *us*.

94. Pre-authorised

When you ring us with details of planned medical *Treatment* and we check the detail against the policy cover and send you a claim form.

95. Pre-existing Condition

Any disease, illness or injury which began before the person with the disease, illness or injury started his or her current continuous *Period of Cover* as an *Insured Person*.

96. Preventative Medicine

Advice, Treatment, tests or routine monitoring that relates to a symptom and is recommended by a *General Practitioner* or any medically trained person in order to prevent, restrict or suppress the symptom.

97. Private Ambulance

A road vehicle built just to use as an ambulance and run by a registered private ambulance service.

98. Private Hospital

A nursing home or independent *hospital* registered under the Registered Homes Act 1984, or a private bed in a *NHS hospital*.

99. Prosthesis

An artificial device which is meant to form a permanent part of *your* body and is surgically implanted for one of more of the following purposes:

- i. to replace a joint or ligament
- ii. to replace the heart or one of its valves
- iii. to replace the aorta or an arterial blood vessel
- iv. to replace a sphincter muscle
- v. to replace the lens or cornea of the eye
- vi. to control urinary incontinence
- vii. to act as a heart pacemaker or to replace heart valves
- viii. to remove excess fluid from the brain

100. Psychiatric Disorder

Any disease or illness normally treated by a Psychiatrist.

101. Related Condition

Any *Medical Condition* medically considered to be an underlying cause of, or directly caused by, the *Medical Condition* that needs *Treatment*.

102. Relevant Date

The actual date of service of the *Treatment*.

103. Renewal Date

The annual anniversary of the *Commencement Date*, on which *we* may revise the premium and terms of the *Policy*.

104. Review Date

The annual anniversary of the *Commencement Date*.

105. Scale of Cover

Your chosen scale of cover shown on your *Personalised Policy Certificate*.

106. Schedule of Procedures

This is the schedule of procedures which *we* publish from time to time, and sets out various surgical and diagnostic procedures according to how complicated they are; it also lists major medical illnesses.

107. Select Hospital

A *Hospital* appearing on the list of *Select Hospitals* issued by *us* in respect of the *Relevant Date*.

108. Specialist

A registered medical or dental practitioner recognised by *us* who:

- i. has at any time held a substantive consultant appointment in the relevant specialty in an NHS *Hospital* or
- ii. holds a Certificate of Higher Specialist Training in the relevant specialty issued by the Higher Specialist Training Committee of the relevant Royal College or faculty or
- iii. is included as required by the European Specialist Medical Qualification Order 1995 in the Specialist Register kept by the General Medical Council in respect of the relevant specialty.

109. Specified obstetric procedure

An operation or other obstetric surgical intervention that is recognised by *us*.

110. Specified oro-surgical procedures

The following are specific procedures relating to the teeth, jaws and other parts of the mouth or face:

- i. Treatment of bone cysts
- ii. Treatment of mandibular, zygomatic or other maxillary fractures
- iii. Removal of impacted, buried or unerupted teeth
- iv. Removal of roots from antrum – Caldwell Luc
- v. Removal of solid odontomes
- vi. Transplantation of teeth
- vii. Mandibular or maxillary fractures involving alveolus only
- viii. Removal of buried roots
- ix. Removal of roots from antrum – oral approach
- x. Cleft lip or cleft palate repair
- xi. Excision or resection of mandible
- xii. Excision or resection of maxilla
- xiii. Mandibular or maxillary fractures – open reduction with direct wiring or pinning or plating
- xiv. Mandibular or maxillary resection for malignancy
- xv. Mandibular osteotomy for prognathism

- xvi. Maxillary osteotomy
- xvii. Open operation including temporo-mandibular joint
- xviii. Bimaxillary osteotomy
- xix. Apicetomy
- xx. Coronoidectomy
- xxi. Pre-prosthetic surgery – including removal of exostoses, reduction of mylohyoid ridge

111. Start Date

The date shown in the *Personalised Policy Certificate* on which the cover under this *Policy* begins. Also known as the *date included in the policy* or the *Date of Entry*, or the *Cover Start Date*, or the *Effective Date*.

112. Surgical Operation

An operation, including consultations immediately before and after the operation, and all essential aftercare before *you* leave the *Hospital*.

113. Surgical Procedure

An operation or other invasive surgical intervention listed in the *Schedule of Procedures*.

114. Therapist

- i. A chartered or state registered physiotherapist, an occupational therapist or an orthodontist who has state registration, or a member of the Royal College of Speech and Language Therapists.
- ii. Any other practitioner who has written confirmation from *us* that we recognise them as a therapist for the purpose of our *Policy*.

115. Treatment (based on specialist medical services)

Any specialist medical services *you* need for diagnosing or treating an acute disease, illness or injury (or an acute episode of disease, illness or injury). Specialist medical services are services which, for medical reasons, need to be provided by a *Specialist*.

116. Treatment (excluding Accident and Emergency)

Surgical or medical procedures the sole purpose of which is the cure or relief of *acute medical illness or injury*, excluding *accident and emergency* surgical or medical procedures, and which has been recommended by a *General Practitioner* or *Specialist*.

117. Treatment (including Accident and Emergency)

Surgical or medical procedures the sole purpose of which is the cure or relief of *acute* illness or

injury. An *acute* illness or injury is characterised by an occurrence of brief duration, after which the *insured person* returns to his/her normal or previous state and degree of activity.

118. Treatment (based on place of service)

Surgical procedure or medical procedure carried out by a *specialist*. This includes:

- i. Diagnostic procedures (consultations and investigations needed to establish a diagnosis);
- ii. *In-patient treatment* (treatment at a *private hospital* where the *member* has to stay in a hospital bed for one or more nights);
- iii. *Day-patient treatment* (treatment at a *private hospital, day-patient* unit or *out-patient* clinic where the *member* is admitted to a hospital bed but does not stay overnight);
- iv. *Out-patient treatment* (treatment at an *out-patient* clinic, a specialist's consulting rooms or in a *private hospital* where the *member* is not admitted to a bed).

119. United Kingdom

Great Britain and Northern Ireland, including the Channel Islands and the Isle of Man.

120. Waiting Period

The period of time where no payment is due as indicated in the *Policy* and/or the *Benefits Table*.

121. We/our/us

..... on behalf of the underwriter, the Also known as the *Insurer*.

122. Year

Twelve calendar months from when your *Policy* began or was last renewed.

123. You/your/Policyholder

The person named as *Policyholder* in the *Policy Schedule* (or *Personalised Policy Certificate*).

Private Medical Insurance
PMI Core terms Template

This report sections provides a PMI Core terms template which can be used to measure the product design features of specific products.

Although each of the six PMI insurers below uses unisex premium rates, other PMI insurers are understood to utilise premium rating factors that include gender.

The intention is to tick or mark the relevant items in each section.

PMI Core terms Template – Benefits Table

Company
Product

Item	Yes/No	Remarks
1	Yes	Full cover only at Select Hospitals.
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Annex A2

PMI Core terms Template – General Conditions

Company
Product

Item	Yes/No	Remarks
1	Yes	
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PMI Core terms Template – General Exclusions

Company
Product

Item	Yes/No	Remarks
1	Yes	
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Annex A4

PMI Core terms Template – Definitions (Page 1 of 3)

Company
Product

Item	Yes/No	Remarks
1	Yes	
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Annex A4

PMI Core terms Template – Definitions (Page 2 of 3)

Company
Product

Item	Yes/No	Remarks
49	Yes	
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Annex A4

PMI Core terms Template – Definitions (Page 3 of 3)

Company
Product

Item	Yes/No	Remarks
97	Yes	
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B1 Premium Rate Comparisons

This report section consists of six spreadsheets, one for each PMI insurer reviewed. Each of these insurers published their premium rate tables. We have shown monthly premium rates by sex and quinquennial age group.

We have excluded the direct PMI insurers who do not publish their premium rate tables, but rather provide a new business quotation to each and every applicant. Consequently, it is difficult to illustrate these premium rate tables, without access to their confidential internal reports.

Premium Rate Comparisons - Company A

Annex B1

	Age	Sex	Post Town	Postcode	Comp Hosp A no Xcs MDD £	Comp Hosp B no Xcs MDD £	Comp Hosp C no Xcs MDD £	Budget Hosp A no Xcs MDD £	Budget Hosp B no Xcs MDD £	Budget Hosp C no Xcs MDD £
1	0	Male	London	SW1	12.72	8.16	6.97	9.54	6.12	5.23
2	5	Male	London	SW1	14.76	9.46	8.09	11.07	7.10	6.07
3	10	Male	London	SW1	21.12	13.54	11.58	15.84	10.16	8.68
4	15	Male	London	SW1	37.15	23.82	20.36	27.87	17.86	15.27
5	20	Male	London	SW1	50.90	32.62	27.90	38.18	24.47	20.92
6	25	Male	London	SW1	52.78	33.83	28.93	39.59	25.38	21.70
7	30	Male	London	SW1	55.48	35.56	30.41	41.61	26.67	22.81
8	35	Male	London	SW1	59.55	38.17	32.54	44.66	28.63	24.48
9	40	Male	London	SW1	64.64	41.43	35.43	48.48	31.08	26.57
10	45	Male	London	SW1	72.27	46.33	39.61	54.21	34.75	29.71
11	50	Male	London	SW1	81.94	52.53	44.91	61.46	39.40	33.69
12	55	Male	London	SW1	100.77	64.60	55.23	75.59	48.45	41.43
13	60	Male	London	SW1	124.69	79.93	68.34	93.53	59.95	51.26
14	65	Male	London	SW1	170.50	109.29	93.45	127.89	81.98	70.09
15	70	Male	London	SW1	239.21	153.34	131.10	179.42	115.02	98.34
16	75	Male	London	SW1	285.01	182.70	156.21	213.78	137.04	117.17
17	0	Female	London	SW1	12.72	8.16	6.97	9.54	6.12	5.23
18	5	Female	London	SW1	14.76	9.46	8.09	11.07	7.10	6.07
19	10	Female	London	SW1	21.12	13.54	11.58	15.84	10.16	8.68
20	15	Female	London	SW1	37.15	23.82	20.36	27.87	17.86	15.27
21	20	Female	London	SW1	50.90	32.62	27.90	38.18	24.47	20.92
22	25	Female	London	SW1	52.78	33.83	28.93	39.59	25.38	21.70
23	30	Female	London	SW1	55.48	35.56	30.41	41.61	26.67	22.81
24	35	Female	London	SW1	59.55	38.17	32.54	44.66	28.63	24.48
25	40	Female	London	SW1	64.64	41.43	35.43	48.48	31.08	26.57
26	45	Female	London	SW1	72.27	46.33	39.61	54.21	34.75	29.71
27	50	Female	London	SW1	81.94	52.53	44.91	61.46	39.40	33.69
28	55	Female	London	SW1	100.77	64.60	55.23	75.59	48.45	41.43
29	60	Female	London	SW1	124.69	79.93	68.34	93.53	59.95	51.26
30	65	Female	London	SW1	170.50	109.29	93.45	127.89	81.98	70.09
31	70	Female	London	SW1	239.21	153.34	131.10	179.42	115.02	98.34
32	75	Female	London	SW1	285.01	182.70	156.21	213.78	137.04	117.17

Premium Rate Comparisons - Company B

Annex B2

	Age	Sex	Post Town	Postcode	Comp	Comp	Comp	Budget	Budget	Budget
					Hosp A,B,C no Xcs MDD £	Hosp A,B,C £100 Xcs MDD £	Hosp A,B,C £250 Xcs MDD £	Hosp A,B,C no Xcs MDD £	Hosp A,B,C £100 Xcs MDD £	Hosp A,B,C Plan 2 MDD £
1	0	Male	London	SW1	15.00	13.50	11.25	12.75	11.48	9.10
2	5	Male	London	SW1	16.70	15.03	12.53	14.20	12.78	10.13
3	10	Male	London	SW1	20.10	18.09	15.08	17.09	15.38	10.13
4	15	Male	London	SW1	24.66	22.19	18.50	20.96	18.86	12.20
5	20	Male	London	SW1	27.78	25.00	20.84	23.61	21.25	16.85
6	25	Male	London	SW1	27.78	25.00	20.84	23.61	21.25	16.85
7	30	Male	London	SW1	30.92	27.83	23.19	26.29	23.66	18.76
8	35	Male	London	SW1	30.92	27.83	23.19	26.29	23.66	18.76
9	40	Male	London	SW1	37.22	33.50	27.92	31.64	28.47	22.58
10	45	Male	London	SW1	37.22	33.50	27.92	31.64	28.47	22.58
11	50	Male	London	SW1	45.66	41.09	34.25	38.81	34.93	27.70
12	55	Male	London	SW1	45.66	41.09	34.25	38.81	34.93	27.70
13	60	Male	London	SW1	61.78	55.60	46.34	52.51	47.26	45.51
14	65	Male	London	SW1	77.45	69.71	58.09	65.83	59.25	57.05
15	70	Male	London	SW1	96.77	87.09	72.58	82.26	74.03	71.29
16	75	Male	London	SW1						
17	0	Female	London	SW1	15.00	15.00	15.00	12.75	12.75	12.75
18	5	Female	London	SW1	16.70	16.70	16.70	14.20	14.20	14.20
19	10	Female	London	SW1	20.10	20.10	20.10	17.09	17.09	17.09
20	15	Female	London	SW1	24.66	24.66	24.66	20.97	20.97	20.97
21	20	Female	London	SW1	27.78	27.78	27.78	23.61	23.61	23.61
22	25	Female	London	SW1	27.78	27.78	27.78	23.61	23.61	23.61
23	30	Female	London	SW1	30.92	30.92	30.92	26.29	26.29	26.29
24	35	Female	London	SW1	30.92	30.92	30.92	26.29	26.29	26.29
25	40	Female	London	SW1	37.22	37.22	37.22	31.64	31.64	31.64
26	45	Female	London	SW1	37.22	37.22	37.22	31.64	31.64	31.64
27	50	Female	London	SW1	45.66	45.66	45.66	38.81	38.81	38.81
28	55	Female	London	SW1	45.66	45.66	45.66	38.81	38.81	38.81
29	60	Female	London	SW1	61.78	61.78	61.78	52.51	52.51	52.51
30	65	Female	London	SW1	77.45	77.45	77.45	65.83	65.83	65.83
31	70	Female	London	SW1	96.77	96.77	96.77	82.26	82.26	82.26
32	75	Female	London	SW1						

Premium Rate Comparisons - Company C

Annex B3

Age	Sex	Post Town	Postcode	Comp Hosp A no Xcs MDD £	Comp Hosp B no Xcs MDD £	Comp Hosp C no Xcs MDD £	Budget Hosp A no Xcs MDD £	Budget Hosp B no Xcs MDD £	Budget Hosp C no Xcs MDD £
0	Male	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
5	Male	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
10	Male	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
15	Male	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
20	Male	London	SW1	85.96	54.94	42.88	56.25	34.89	28.08
25	Male	London	SW1	110.47	72.04	58.46	66.94	42.06	34.66
30	Male	London	SW1	115.45	75.61	62.66	69.08	43.56	36.39
35	Male	London	SW1	120.81	79.57	66.59	71.43	45.27	38.11
40	Male	London	SW1	131.15	82.89	68.82	75.82	46.55	39.09
45	Male	London	SW1	151.97	89.40	75.51	84.81	49.44	41.89
50	Male	London	SW1	177.88	108.56	89.00	96.04	57.36	47.62
55	Male	London	SW1	205.33	130.14	106.18	107.92	66.35	54.96
60	Male	London	SW1	238.91	160.78	132.67	122.47	79.19	66.19
65	Male	London	SW1	270.71	191.55	157.84	136.38	92.03	76.89
70	Male	London	SW1	312.21	228.95	194.55	154.25	107.65	92.44
75	Male	London	SW1	312.21	228.95	194.55	154.25	107.65	92.44
0	Female	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
5	Female	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
10	Female	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
15	Female	London	SW1	42.98	27.47	21.44	18.75	11.63	9.36
20	Female	London	SW1	85.96	54.94	42.88	56.25	34.89	28.08
25	Female	London	SW1	110.47	72.04	58.46	66.94	42.06	34.66
30	Female	London	SW1	115.45	75.61	62.66	69.08	43.56	36.39
35	Female	London	SW1	120.81	79.57	66.59	71.43	45.27	38.11
40	Female	London	SW1	131.15	82.89	68.82	75.82	46.55	39.09
45	Female	London	SW1	151.97	89.40	75.51	84.81	49.44	41.89
50	Female	London	SW1	177.88	108.56	89.00	96.04	57.36	47.62
55	Female	London	SW1	205.33	130.14	106.18	107.92	66.35	54.96
60	Female	London	SW1	238.91	160.78	132.67	122.47	79.19	66.19
65	Female	London	SW1	270.71	191.55	157.84	136.38	92.03	76.89
70	Female	London	SW1	312.21	228.95	194.55	154.25	107.65	92.44
75	Female	London	SW1	312.21	228.95	194.55	154.25	107.65	92.44

Premium Rate Comparisons - Company D

Annex B4

Age	Sex	Post Town	Postcode	Comp Hosp A no Xcs MDD £	Comp Hosp B no Xcs MDD £	Comp Hosp C no Xcs MDD £	Budget Hosp A no Xcs MDD £	Budget Hosp B no Xcs MDD £	Budget Hosp C no Xcs MDD £
0	Male	London	SW1	38.85	25.81	20.66	20.59	17.24	13.90
5	Male	London	SW1	40.90	27.21	21.76	21.65	18.11	14.62
10	Male	London	SW1	42.93	28.56	22.82	22.74	19.03	15.36
15	Male	London	SW1	33.02	25.14	17.97	21.37	17.98	14.55
20	Male	London	SW1	52.46	35.41	28.48	27.31	22.99	18.90
25	Male	London	SW1	55.22	37.25	29.98	28.77	24.23	19.91
30	Male	London	SW1	57.99	39.12	31.50	30.20	25.44	20.90
35	Male	London	SW1	76.82	48.32	40.94	37.37	31.56	25.86
40	Male	London	SW1	80.67	50.73	42.99	39.24	33.14	27.18
45	Male	London	SW1	89.69	59.46	47.52	46.20	38.75	31.56
50	Male	London	SW1	94.17	62.42	49.90	48.53	40.68	33.14
55	Male	London	SW1	116.11	76.79	61.31	57.81	48.60	39.42
60	Male	London	SW1						
65	Male	London	SW1						
70	Male	London	SW1						
75	Male	London	SW1						
0	Female	London	SW1	38.85	25.81	20.66	20.59	17.24	13.90
5	Female	London	SW1	40.90	27.21	21.76	21.65	18.11	14.62
10	Female	London	SW1	42.93	28.56	22.82	22.74	19.03	15.36
15	Female	London	SW1	33.02	25.14	17.97	21.37	17.98	14.55
20	Female	London	SW1	52.46	35.41	28.48	27.31	22.99	18.90
25	Female	London	SW1	55.22	37.25	29.98	28.77	24.23	19.91
30	Female	London	SW1	57.99	39.12	31.50	30.20	25.44	20.90
35	Female	London	SW1	76.82	48.32	40.94	37.37	31.56	25.86
40	Female	London	SW1	80.67	50.73	42.99	39.24	33.14	27.18
45	Female	London	SW1	89.69	59.46	47.52	46.20	38.75	31.56
50	Female	London	SW1	94.17	62.42	49.90	48.53	40.68	33.14
55	Female	London	SW1	116.11	76.79	61.31	57.81	48.60	39.42
60	Female	London	SW1						
65	Female	London	SW1						
70	Female	London	SW1						
75	Female	London	SW1						

Premium Rate Comparisons - Company E

Annex B5

Age	Sex	Post Town	Postcode	Comp Area 1 no Xcs MDD £	Comp Area 2 no Xcs MDD £	Comp Area 3 no Xcs MDD £	Budget Area 1 no Xcs MDD £	Budget Area 2 no Xcs MDD £	Budget Area 3 no Xcs MDD £
0	Male			15.80	10.15	8.27	5.22	5.22	5.22
5	Male			25.89	16.62	13.54	7.06	7.06	7.06
10	Male			28.84	18.52	15.09	7.06	7.06	7.06
15	Male			29.39	18.89	15.40	7.06	7.06	7.06
20	Male			39.50	25.37	20.68	12.94	12.94	12.94
25	Male			64.68	41.55	33.87	17.51	17.51	17.51
30	Male			72.10	46.32	37.75	17.51	17.51	17.51
35	Male			73.48	47.20	38.46	17.51	17.51	17.51
40	Male			76.48	49.12	40.04	22.10	22.10	22.10
45	Male			79.99	51.39	41.88	22.10	22.10	22.10
50	Male			99.12	63.67	51.89	22.10	22.10	22.10
55	Male			104.13	66.90	54.52	22.10	22.10	22.10
60	Male								
65	Male								
70	Male								
75	Male								
0	Female			15.80	10.15	8.27	5.22	5.22	5.22
5	Female			25.89	16.62	13.54	7.06	7.06	7.06
10	Female			28.84	18.52	15.09	7.06	7.06	7.06
15	Female			29.39	18.89	15.40	7.06	7.06	7.06
20	Female			39.50	25.37	20.68	12.94	12.94	12.94
25	Female			64.68	41.55	33.87	17.51	17.51	17.51
30	Female			72.10	46.32	37.75	17.51	17.51	17.51
35	Female			73.48	47.20	38.46	17.51	17.51	17.51
40	Female			76.48	49.12	40.04	22.10	22.10	22.10
45	Female			79.99	51.39	41.88	22.10	22.10	22.10
50	Female			99.12	63.67	51.89	22.10	22.10	22.10
55	Female			104.13	66.90	54.52	22.10	22.10	22.10
60	Female								
65	Female								
70	Female								
75	Female								

Premium Rate Comparisons - Company F

Annex B6

Age	Sex	Post Town	Postcode	Comp Area 1 no Xcs MDD £	Comp Area 2 no Xcs MDD £	Comp Area 3 no Xcs MDD £	Budget Area 1 no Xcs MDD £	Budget Area 2 no Xcs MDD £	Budget Area 3 no Xcs MDD £
0	Male			21.14	15.57	15.57	13.68	10.07	10.07
5	Male			21.14	15.57	15.57	13.68	10.07	10.07
10	Male			21.14	15.57	15.57	13.68	10.07	10.07
15	Male			21.14	15.57	15.57	13.68	10.07	10.07
20	Male			31.62	23.28	23.28	20.44	15.05	15.05
25	Male			44.97	33.10	33.10	29.09	21.41	21.41
30	Male			53.18	39.14	39.14	34.42	25.34	25.34
35	Male			56.06	41.27	41.27	36.28	26.71	26.71
40	Male			61.62	45.35	45.35	38.80	28.56	28.56
45	Male			70.99	52.25	52.25	44.73	32.93	32.93
50	Male			83.91	61.77	61.77	52.85	38.91	38.91
55	Male			90.80	66.84	66.84	57.19	42.09	42.09
60	Male			100.78	74.18	74.18	63.46	46.71	46.71
65	Male			151.52	111.53	111.53	99.41	73.17	73.17
70	Male			183.34	134.95	134.95	120.31	88.56	88.56
75	Male			242.15	178.25	178.25	158.86	116.94	116.94
0	Female			21.14	15.57	15.57	13.68	10.07	10.07
5	Female			21.14	15.57	15.57	13.68	10.07	10.07
10	Female			21.14	15.57	15.57	13.68	10.07	10.07
15	Female			21.14	15.57	15.57	13.68	10.07	10.07
20	Female			31.62	23.28	23.28	20.44	15.05	15.05
25	Female			44.97	33.10	33.10	29.09	21.41	21.41
30	Female			53.18	39.14	39.14	34.42	25.34	25.34
35	Female			56.06	41.27	41.27	36.28	26.71	26.71
40	Female			61.62	45.35	45.35	38.80	28.56	28.56
45	Female			70.99	52.25	52.25	44.73	32.93	32.93
50	Female			83.91	61.77	61.77	52.85	38.91	38.91
55	Female			90.80	66.84	66.84	57.19	42.09	42.09
60	Female			100.78	74.18	74.18	63.46	46.71	46.71
65	Female			151.52	111.53	111.53	99.41	73.17	73.17
70	Female			183.34	134.95	134.95	120.31	88.56	88.56
75	Female			242.15	178.25	178.25	158.86	116.94	116.94

B2 Premium rating by Geography

Geographic Rating Factors

The premium rates are per person and depend on the address of the policyholder. The Area (for the address) is a grouping of postcodes, which the insurer allocates on commercial reasons.

Example: Company 1

Area A (Central London)

E EC N NW SE SW W WC

Area B (Suburbs)

AL BR CM CR DA EN GU HA HP IG KT LU
ME RH RM SG SL SM SS TW UB WD

Area C (Provincial)

B BA BB BD BH BL BN BS CB CH CO CT
CV CW DE DH DL DN DY FY GL HD HG HU
HX IM IP L LA LE LN LS M MK NE NG
NN NR OL OX PE PO PR RG S SK SN SO
SP SR ST TF TN TS WA WF WN WR WS WV
YO Channel Islands

Area D (Rural)

AB BT CA CF DD DG DT EH EX FK G HR
IV KA KW KY LD LL ML NP PA PH PL SA
SY TA TD TR TQ ZE

Example: Company 2

Area A (London)

E EC N NW SE SW W WC BR CR DA EN
HA IG KT RM SL SM TW UB WD

Area B (Provincial)

AL B BB BL CH CM CT DY GU HP L L U
M
ME OL RG RH SG SK SS TN WA WN WS WV

Area E (Rural)

AB BA BD BH BN BN BS BT CA CB CF CH CO
CV CW DD DE DG DH DL DN DT EH EX F K
FY
G GL HD HG HR HU HX IP IV KA KW KY LA
LD LE LL LN LS MK ML NE NG NN NP NR O X P A
PE PH PL PO PR S SA SN SO SP SR ST
SY TA TD TF TQ TR TS WF WR YO ZE Channel Islands

B2.1 Mystery Shopper – Telephone Survey

Insurer A

Quotations (1997 Qtr 4) for LocalCare / Local HospitalCare

INSURER-A 0800 telephone number used to request quotations.

Quotation 1: 1 Adult, Living in Bournemouth

Single female, aged 34
Living in Bournemouth

Quotation 1: Premium Rates

	Qte. Monthly
INSURER-A Product 1	£30.53
INSURER-A Product 2	£20.59

Quotation 2: 2 Adults, Living in Bournemouth

Female, aged 34
Male, aged 48
Living in Bournemouth

Quotation 2: Premium Rates

	Qte. Monthly
INSURER-A Product 1 subject to £100 Excess	£59.64
INSURER-A Product 1	£68.56
INSURER-A Product 2	£46.72

Quotation 3: 2 Adults, 2 Children, Living in Bristol

Female, aged 34
Male, aged 48
1 Child aged 10
1 Child aged 12
Living in Bristol

Quotation 3: Premium Rates

Qte. Monthly	
INSURER-A Product 1	£92.77
INSURER-A Product 2	£63.19

INSURER-A Telesales Representative confirmed that the premium rates were calculated on a National rate band and by age band. The quotation showed monthly premiums. The annual premium rate was not quoted. The accompanying brochure indicated a 5% discount for annual credit or payment card payment. There was no discount for annual cheque payment.

The quotation was prepared as a separate document to the application form. The quotation repeated the original

details requested for each prospective insured over the telephone e.g., name and age information and the policyholder's address.

B2.2 Mystery Shopper – Telephone Survey

INSURER-B

Quotations (1997 Qtr 4) for Product 3 / Product 4

INSURER-B 0800 telephone number used to request quotations. Please note: monthly premium rate is calculated as 1/12 of annual rate quoted by INSURER-B. The printed quotation sent showed a single policy premium. Therefore, the individual premiums per insured were based on those supplied verbally by telesales representative during telephone conversation.

Quotation 1: 1 Adult, Living in London

Single female, aged 34
Living in London

Quotation 1: Premium Rates

	Est. Monthly	Qte Annual
INSURER-B Product 3	£49.46	£593.51
INSURER-B Product 4	£20.38	£244.59

Quotation 2: 2 Adults, Living in London

Female, aged 34
Male, aged 48
Living in London

Quotation 2: Premium Rates

	Est. Monthly	Qte Annual
INSURER-B Product 3	£115.07	£1,380.87
Female, aged 34	£49.46	£593.51
Male, aged 48	£65.61	£787.36
INSURER-B Product 4	£47.32	£567.78
Female, aged 34	£20.38	£244.59
Male, aged 48 (?49 in error)	£26.93	£323.19
	*aged 50	£338.61

B2.2. INSURER-B (continued)

Quotations (1997 Qtr 4) for Product 3 / Product 4

Quotation 3: 2 Adults, 2 Children, Living in Birmingham

Female, aged 34
Male, aged 48
1 Child aged 10
1 Child aged 12
Living in Birmingham

Quotation 3: Premium Rates

	Est. Monthly	Qte. Annual
INSURER-B Product 3 subject to £200 Excess	£74.15	£889.75
INSURER-B Product 3	£151.52	£1,818.25
Female, aged 34	£49.46	£593.51
Male, aged 48	£65.61	£787.36
Child 1, aged 10	£18.22	£218.69
Child 2, aged 12	£18.22	£218.69
INSURER-B Product 4	£62.91	£754.86
Female, aged 34	£20.38	£244.59
Male, aged 48 (? 49 in error)	£26.93	£323.19
Child 1, aged 10	£7.80	£93.54
Child 2, aged 12	£7.80	£93.54

INSURER-B Telesales Representative confirmed that the premium rates were calculated using Band B, which would exclude most expensive London Hospitals. Band B was sufficient for cover in the South East and the Midlands.

INSURER-B Telesales Representative also confirmed that the premium rates were quoted per insured life and by age (not by age band). Therefore, the premium rates would increase each year by age and by medical inflation.

The standard quotation process did not provide indicative quotes for year 2, year 3 etc. The Telesales Representative provided an indicative quotation for year 2 by altering the dates of birth of the prospective insured lives.

The quotations produced, although calculated per insured life and by age, were shown as a total premium. The Telesales Representative prepared a series of individual quotations to provide a breakdown of the total premium figure – this was not an automatic feature of the quotation system.

The quotation showed the annual premium rate and the accompanying brochure explained that a 5% discount applied to the monthly premium if annual payment was selected.

The quotation was printed on the front of a pre-completed application form. The quotation did not repeat the details supplied over the telephone e.g., age and name for prospective insured lives included in the application form and the policyholder's address.

B2.3 Mystery Shopper – Telephone Survey

Insurer C

Quotations (1997 Qtr 4) for Product 5, Product 6, Product 7

INSURER-C 0800 telephone number used to request quotations.

Quotation 1: 1 Adult, Living in London:

Single female, aged 34

Living in London

Quotation 1: Premium Rates

	Qte. Monthly	Qte. Annual-5%
INSURER-C Product 5	£43.31	£493.69
INSURER-C Product 6	£53.18	£606.22
INSURER-C Product 7	£18.55	£211.50

Quotation 2: 2 Adults, Living in Bournemouth:

female, aged 65

male, aged 70

Living in Bournemouth

Quotation 2: Premium Rates

	Qte. Monthly	Qte. Annual-5%
INSURER-C Product 8	£296.69	£3,381.70
female, aged 65	£134.22	£1,530.11
male, aged 70	£162.42	£1,851.59
INSURER-C Product 5	£161.42	£1,840.19
female, aged 65	£73.03	£832.54
male, aged 70	£88.39	£1,007.65
INSURER-C Product 7	£98.10	£1,118.34
female, aged 65	£49.05	£559.17
male, aged 70	£49.05	£559.17

INSURER-C Telesales Representative confirmed that the premium rates were calculated using Postcode based premiums for Product 5 and Product 6. Product 7 used a single National premium rate. The Telesales Representative also confirmed that the premium rates were based on age bands.

INSURER-C Telesales Representative also confirmed that the premium rates were quoted per insured life and by age band. The quotations produced were shown for each insured life. The quotation also showed monthly and annual premiums – the annual premium allowed for a discount of 5% on monthly premium rates. The quotation was printed on the front of a pre-completed application form. The application form repeated the details supplied over the telephone e.g., age, name and postcode (for policy holder).

B2.4 Mystery Shopper – Telephone Survey

Insurer D

Quotations (1997 Qtr 4) for Healthcare Options 1 and 2

Insurer-D 0800 telephone number and (quotation 2) visit to branch to request quotations. Insurer-D have a monthly payment option only e.g., via direct debit, or continuous credit card payments. There is no annual payment option.

Quotation 1: 1 Adult, Living in Bournemouth:

Single female, aged 34
Living in Bournemouth

Quotation 1: Premium Rates

	Qte. Monthly	Qte. Annual
INSURER-D Product 9	£13.03	n/a
INSURER-D Product 10	£41.77	n/a
INSURER-D Product 10– subject to £100 Excess	£39.68	n/a
INSURER-D Product 10– subject to £500 Excess	£33.42	n/a

Quotation 2: 1 Adult, Living in London:

male, aged 48
Living in London

Quotation 2: Premium Rates

	Qte. Monthly	Qte. Annual
INSURER-D Product 9	£26.17	n/a
INSURER-D Product 10	£60.89	n/a
INSURER-D Product 10 – subject to £100 Excess	£57.84	n/a
INSURER-D Product 10 – subject to £500 Excess	£48.71	n/a
INSURER-D Product 10 – subject to £2,000 Excess	£33.49	n/a

Quotation 1 was obtained via the 0800 telephone sales unit. The telesales process consisted of two stages. Stage 1 consisted of initial fulfilment of telephone enquiry with general brochure and Insurer-D application form. Stage 2 consisted of either completing the application form or requesting a telephone quotation. When the policy terms and conditions were requested the Insurer-D telesales representative confirmed that this information would be sent together with the policy documents once Insurer-D had processed a completed application form (including medical underwriting).

Quotation 2 was obtained via a local sales outlet. A quotation was prepared at a separate desk in the sales outlet 'shop-floor'. A general brochure, application form and quotation form were issued together to the applicant. Persistence was rewarded by the sales outlet staff finding and supplying a copy of the policy terms and conditions.

Only the sales outlet sales representative explained that the premium rates were calculated based on individual age, gender, occupation and postcode. The quotation was printed on a separate document and repeated the details supplied for each prospective insured person e.g., name, age, occupation, and postcode for each insured. The quotations produced were shown for each insured life.