

Health Insurance & Protection

Covid-19 Industry
Impact Survey

April 23rd 2020



Introduction

Further to the UK lockdown on March 23rd HI&P conducted a survey of health insurance & protection industry professionals between 7 - 13 April.

The purpose of this survey was to provide an overview of the initial impact of the pandemic on our industry in the first few weeks after lockdown

We received 219 completed responses from a representative profile, covering all company sizes, types and customer categories.

Our second Covid-19 survey will be launched in May and will explore in greater detail the emerging challenges of the pandemic on our industry.

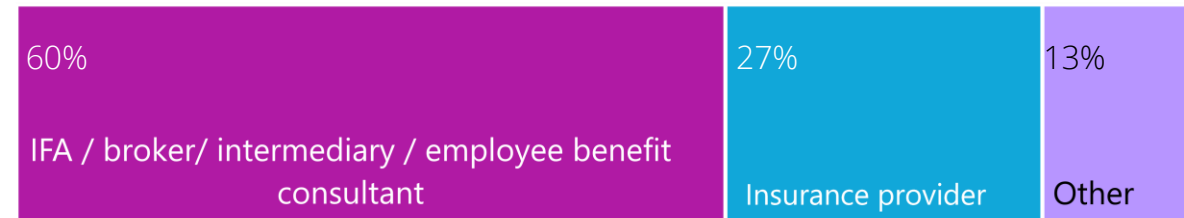
We are calling on readers to suggest their own questions for inclusion in the May survey. So, if you are interested please email me your question/s at matthew.brookes@informa.com or call me on +44 (0) 207 017 6779

Kind regards & stay safe

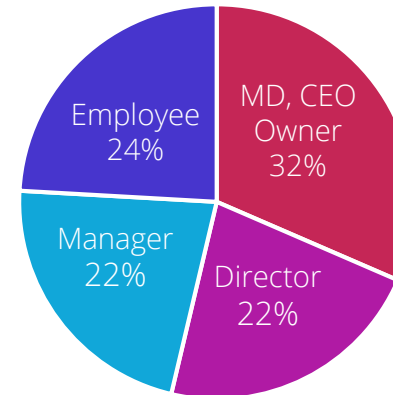
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Health Insurance & Protection

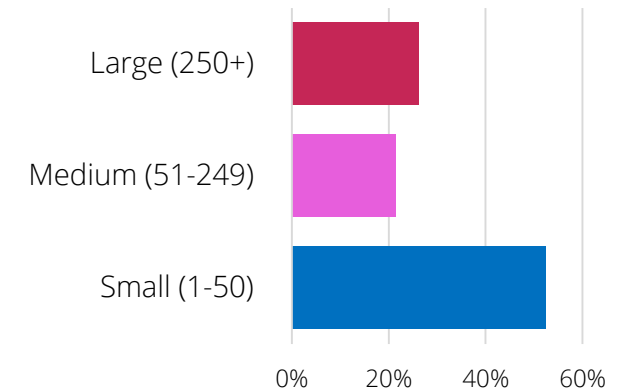
- Business Type



- Job Function

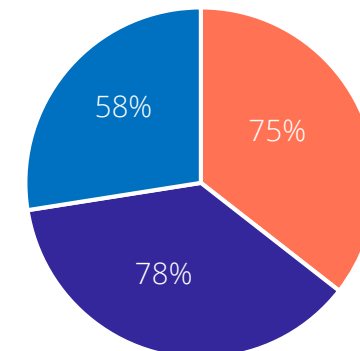


- Company Size (by no employees)

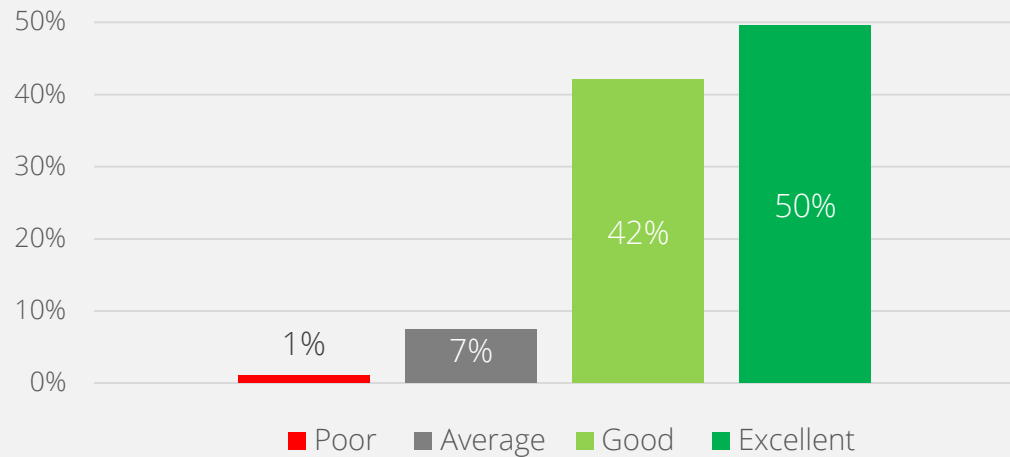


- Customer Types

- Individual & family
- SME (<250 employee)
- Corporate



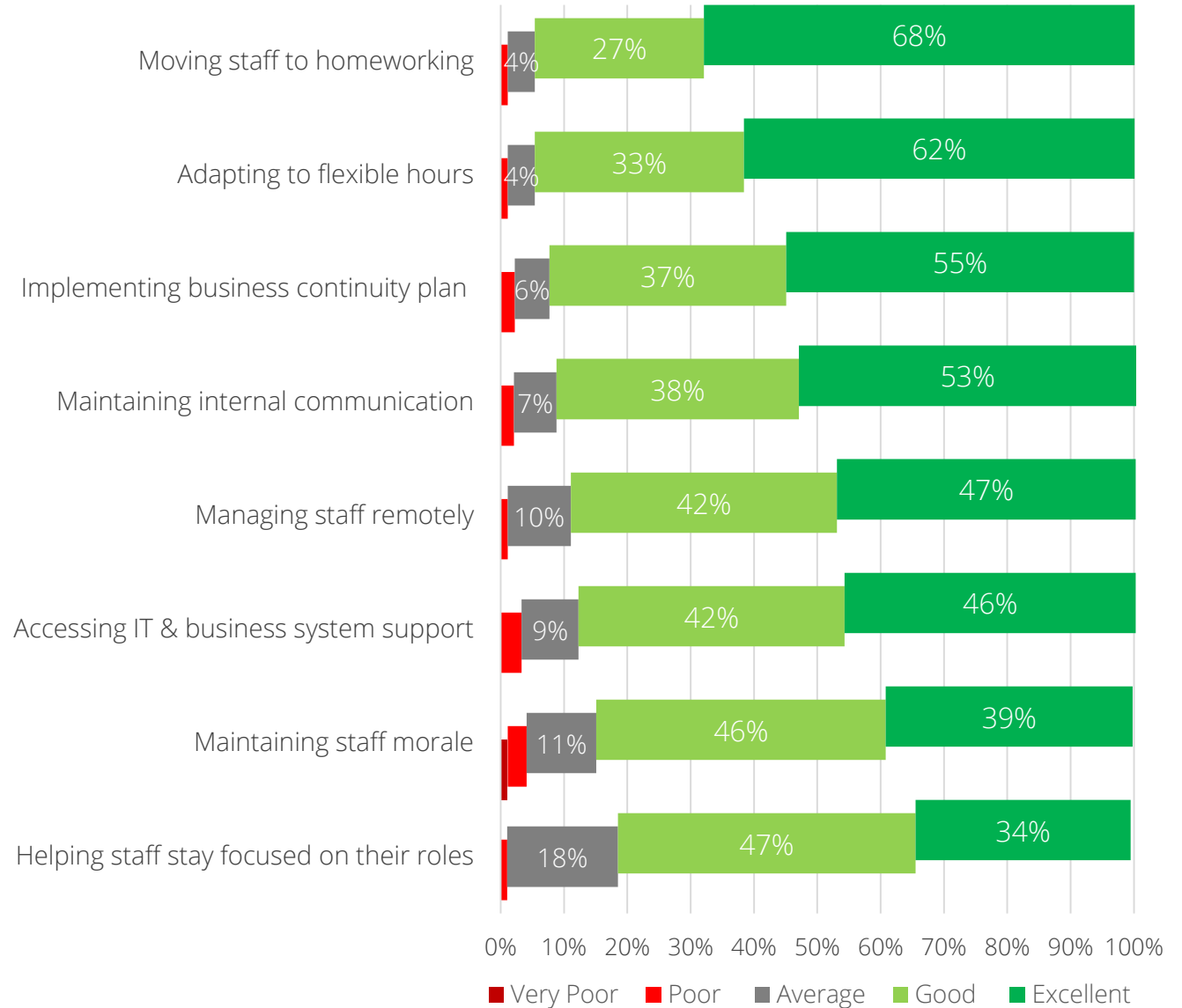
How well has your business adapted to the new working environment?



There is broad agreement about the industry's response to adapting to the new homeworking environment, with 92% stating it was Good or Excellent

The two most problematic areas are helping staff maintain morale and focus.

How would you rate your business in the following areas



Comments: How business has adapted to the new working environment?

Some staff with young children at home have struggled with home working and have had to change the hours they work, others have embraced the whole idea.

This could be a paradigm shift as now all set up at home and productive why come back and want to work in an office?

It's early days but we are holding onto our book and offering excellent service levels- this is down to our business continuity plans and our amazing staff

We already operate a home working model so this is just BAU.

The U.K. faces challenges with connectivity, broadband speeds are sporadic which has impacted on some work.

Huge advantage having a remote working model

Before the crisis, this insurance business had 25% of its workforce operating as home workers. Being a smaller insurance operation, it was easier than our competitors to transfer all employees to 100% working from home without skipping a beat. The team has responded really well to make sure we're still business as usual for customers, claimants and distributors.

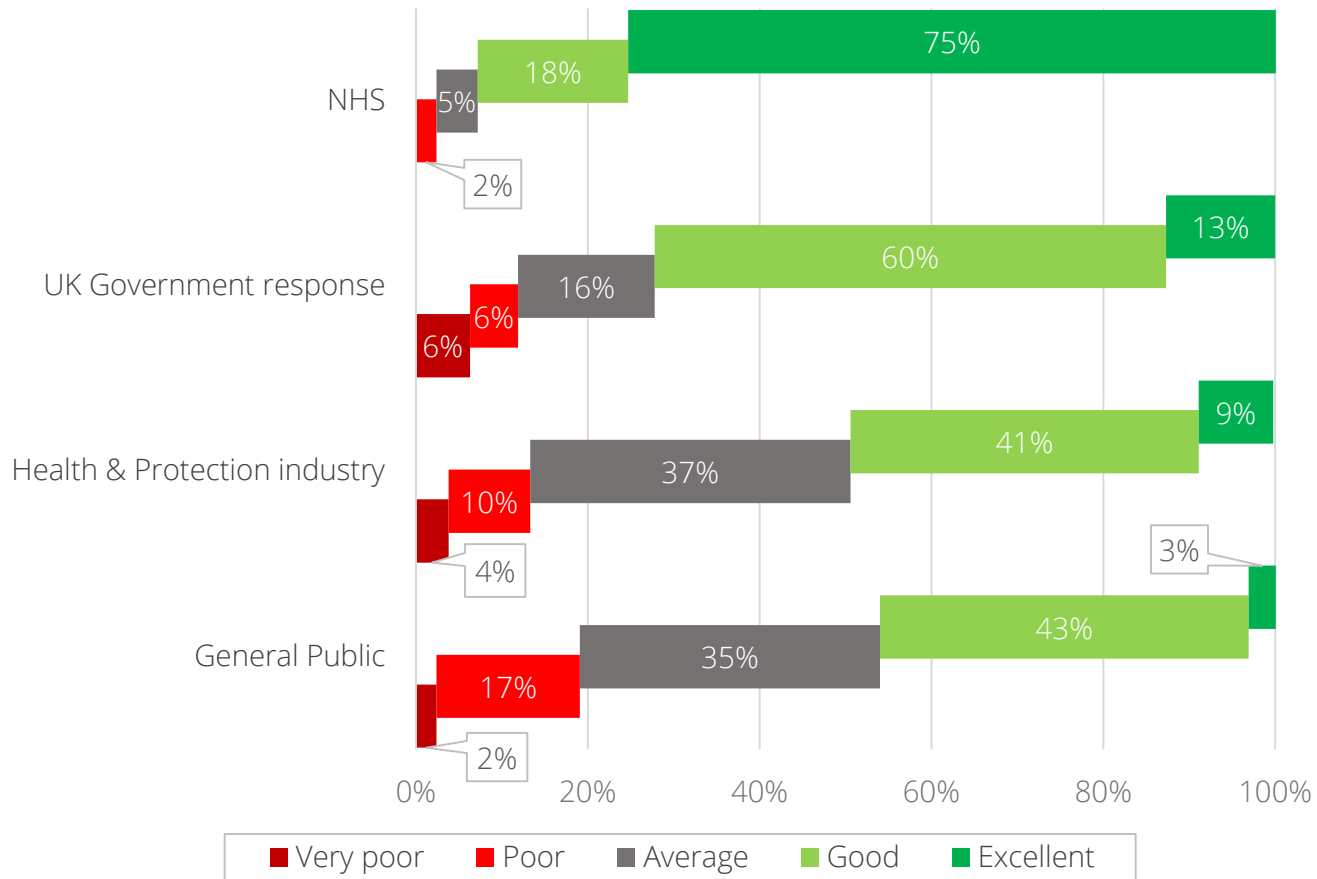
Challenge of working entirely from the office without F2F meetings working but not entirely unwelcome!

our organisation already has around 85% of staff working from home

Huge stress on trying to manage the wellbeing of others on teams let alone yourself and your family

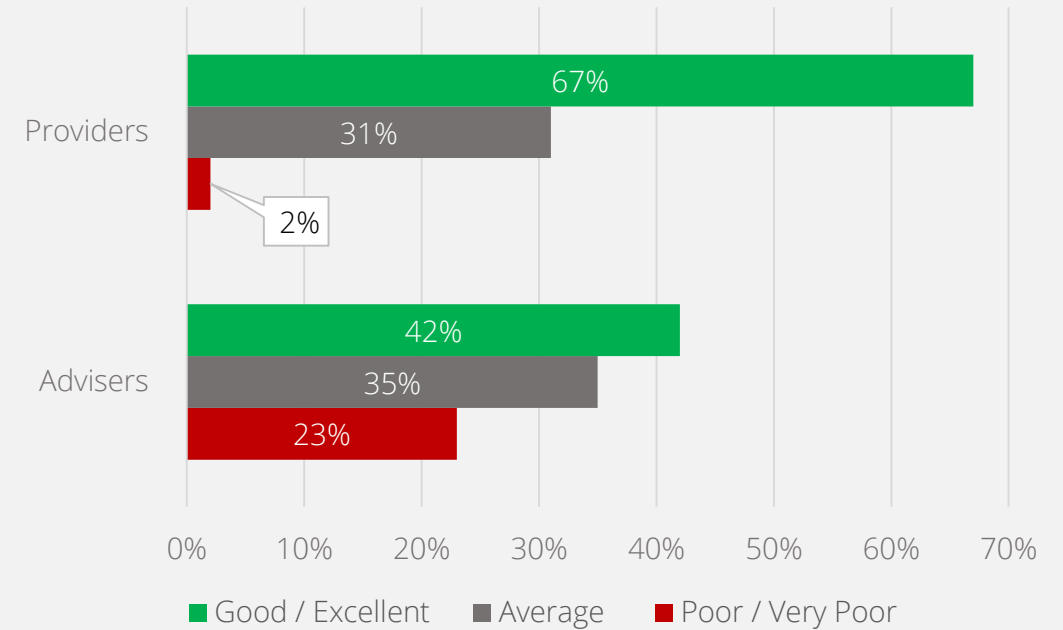
Given the speed in which we all had to react, I feel the transition from office to home for our 35 staff has probably gone better than I could have anticipated.

How would you rate the following responses to Covid-19 so far?



- Health & Protection industry**

Providers were significantly more positive about the industry's initial response to Covid-19 than Advisers



Comments: Industry response to Covid-19

Very few providers have accounted any measures to help either brokers or customers - Liz Arnott, Pure Protection Ltd

There seems to be a lack of joined up action from industry bodies, GRiD and AMii seem to be very quiet. This should be an opportunity for them to lead - David Dolding, CWB Group

Insurers have been very slow to act and information issued by them has been sparse or ambiguous - Paul Bradley, Halo Consulting

Many insurers need to move faster to answer the question: Why should I pay for cover I cannot currently use e.g. PMI, HCP, Dental, Travel etc?

The industry was ranked poor due to the lack of contingency planning, particularly by some of the 'leading' insurers. Tightening of underwriting criteria is understandable in some cases, but applying the criteria changes to existing pipeline business is not good practice. It could have a negative impact on the reputation of the industry, once we return to a more normal situation.

Insurers are making understandable changes to their products and services, but they are not being open and forthcoming with advisers. There needs to be collaboration.

Help from the Govt for owner managed business has been neglected

We need Insurers to confirm the detail of financial support they are able to provide to clients without further delay. The industry must agree protocols for the digital transfer of Underwriting in order to ease the transfer process and support those social distancing & self isolating - Stuart Scullion, AMII

Watershed moment for the health and protection industry to rethink and reimagine its purpose - it is not all about the money - Mark Howard, Sparta Health

We are failing our clients because providers are failing us

The PMI industry in particular need to get their act together to offer financial help to consumers and SME - possible payment holidays. The government should waive IPT - Wayne Pontin Sante Group

PMI insurers face the risk of a loss of faith by corporate and retail clients - Michael Brown, Patient Advocate Ltd

Government lockdown was way too slow (2 weeks earlier schools and pubs should have been shut), no PPE for NHS, inadequate testing and UK looking much worse than Eastern countries that did not have the time to prepare as we did.

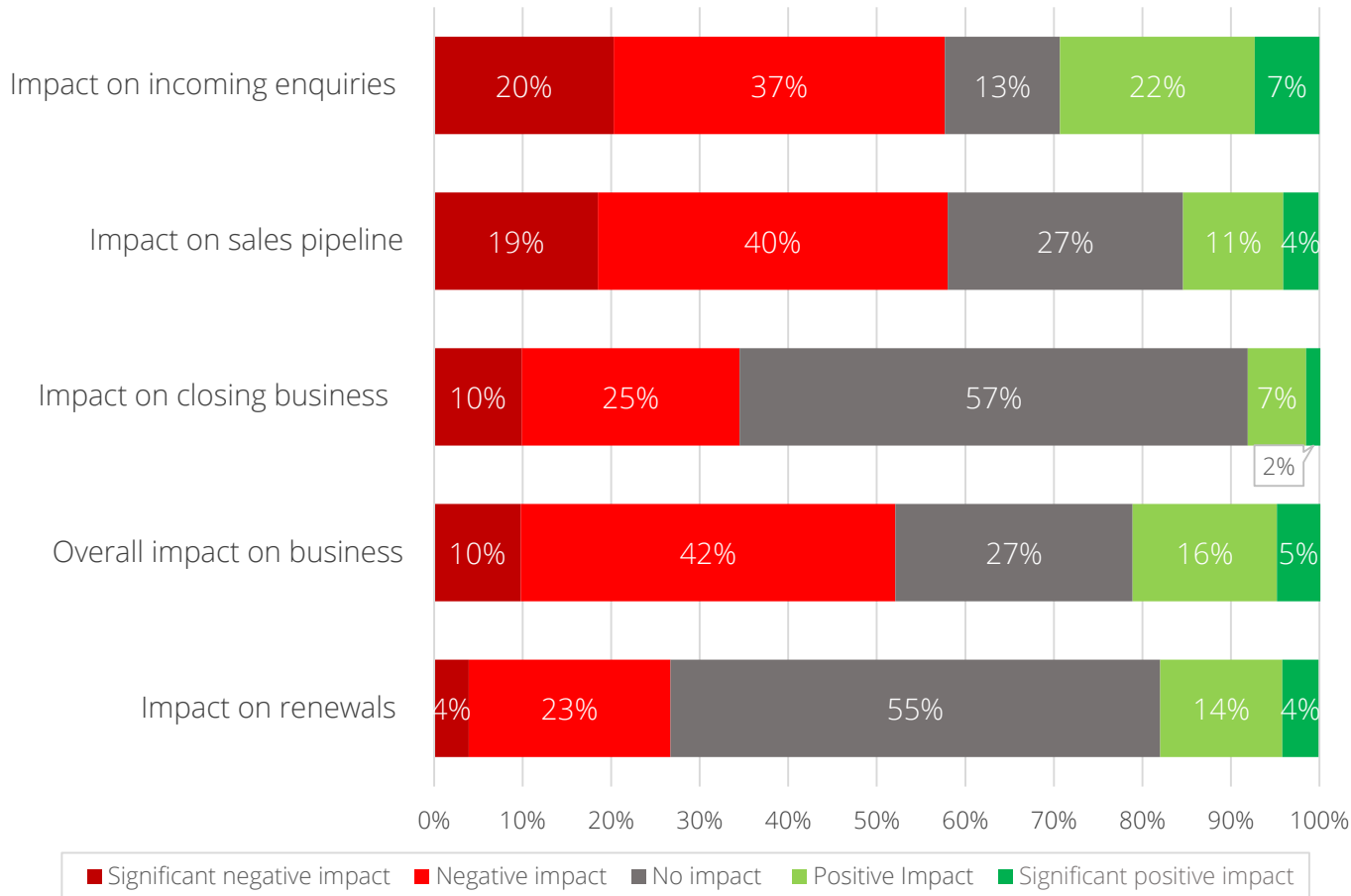
Providers well caught out on their contingency planning... Very difficult for us to function with little support

Bearing in mind that the private sector has been directly impacted by priority given to NHS patients with/without Covid-19 symptoms, particularly in the London area, insurers have been very slow about proactively announcing payment holidays.

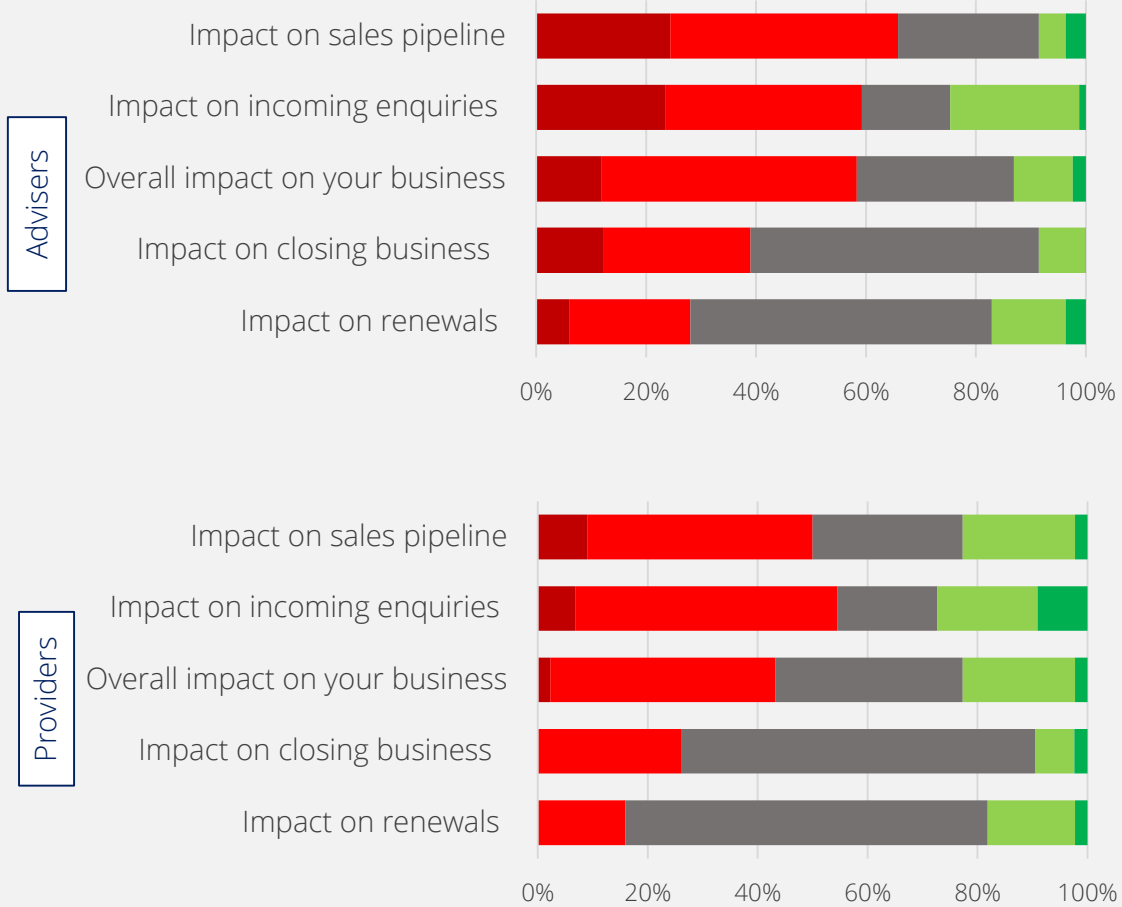
As private hospitals have quite rightly been made available to the NHS they are not able to provide the majority of services that customers are paying for. However, the insurers are still taking full premiums from members even though they cannot access services.

How has your business been impacted by Covid-19 to date?

- Business impact – all respondents



- Business impact - Advisers & Providers



Comments: How has your business been impacted by Covid-19 to date?

We don't get incoming enquiries, pipeline is doing well as other brokers seem to have gone into hibernation, renewals we're having a few clients going bust or cancelling policies – Martin Blaine, Lesson Moore

Proud of my colleagues for stepping up so brilliantly in our busiest period.

Our tele-interviewing and digital portals, work well with this new way of working - Andrew Gething, MorganAsh

It has changed the nature of our service from face to face to telephone based. Less income and lower impact - Karen Gamble, HCB Group

Understanding client demands and needs has never been more important – Paul Roberts, IHC Ltd

Too early to fully assess. Think we will see a lot of impact in next couple of months

covid 19 not been running long enough yet to have much impact

It's hard to quantify just yet. Much corporate work has been put on hold but IFA business is still strong. No impact isn't the right answer, in many cases there is impact which can't be quantified as negative or positive.

Only one month in!- Wayne Pontin Sante Group

I believe the full impact of this close down will not be felt for 2-3 months when businesses face the reality and we all exhaust our funds.

Big impact, not necessarily negative or positive. Just high volumes

As a direct result of underwriting changes at some companies we have seen a reduction overall in the level of support for impaired cases and in the case of expat clients the fall has been considerable with the consequence that it is now very difficult indeed for expats to get any cover through a UK office.

Individual enquiries have gone up significantly but a number have been income protection for people who actually want unemployment. Also seen quite a few smaller policies looking to review their current policies to see if they can save costs.

We are unlikely to grow this year but are hopeful we can continue

clients are cross that insurers are not reducing costs

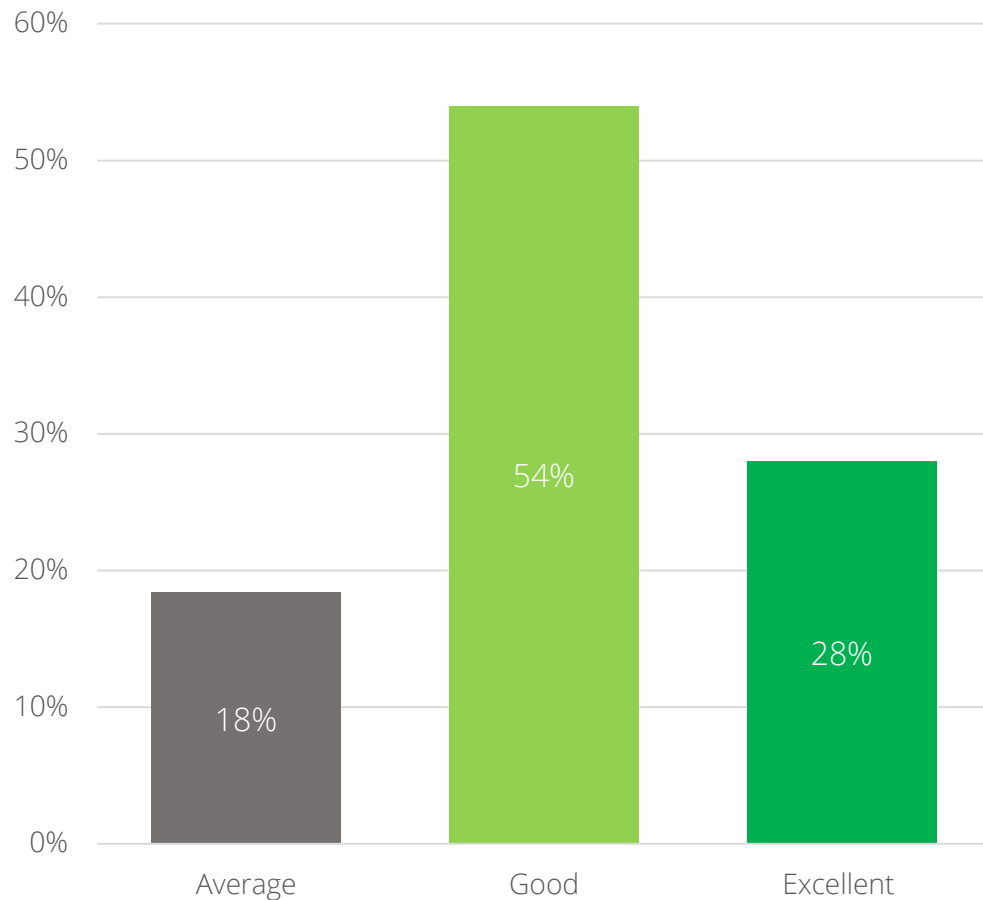
Massive work load increase overnight. Minimal financial impact so far.

We are an international insurance provider and therefore have seen less enquiries or delays in plans commencing due to the travel movement restrictions

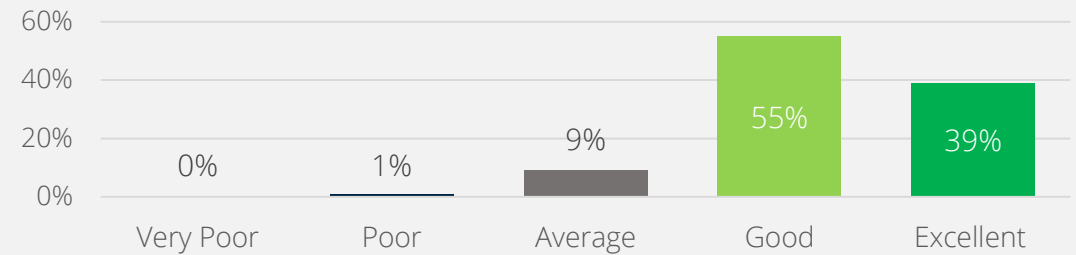
Its a different market, its a market in a state of panic, and it is along way off being sorted... To coin Churchill!this might be the end of the beginning!..

Client support & communication

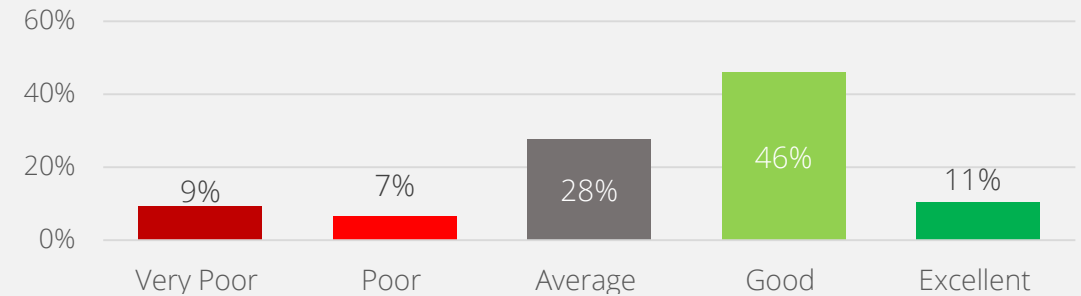
- All:** How would you rate your performance in communicating with and supporting your clients?



Advisers: rate **your** performance in communicating with and supporting **your** clients?



Advisers: rate the performance of **providers** in their communication and support of **you**?



Providers: rate **your** performance in communicating with and supporting **your** clients?



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