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STARTS

Shared Responsibility goes from strength to strength

It is two years since WPA launched our private medical insurance plans Flexible Health and Flexible Health Freelance (for the self employed). Both these plans included our unique Shared Responsibility option in which the customer shares the risk paying 25% of claims up to capped annual limits. The success of shared responsibility has been beyond expectation:

- Shared Responsibility can reduce premiums by up to 70% the price of traditional products whilst not restricting the level of cover available
- With premiums for traditional products increasing by between 10-15% per annum (they will double in six and triple in eleven years) – premiums for WPA's Shared Responsibility products have only had annual premium increases of less than 3% in some cases premiums have actually reduced.
- The vast majority of new customers choose to take the Shared Responsibility option owing to the excellent value provided
- Customers are staying longer as they have greater choice and better value
- In the last two years WPA's individual insured population is up by over 5% where the industry has decreased around 4%.

The NHS is taking a long time to get to the levels we want. 88% of the UK population do not have private medical insurance. The majority of health insurance products are much the same as they were ten years ago. Limited excesses, managed care and restricted hospital networks have been proved not to work both here and abroad.

Shared Responsibility complements the customers need for value. People are giving up private medical insurance because it is too expensive. Self pay and reliance on the NHS is on the increase. Shared Responsibility gives the wavering customers what they want – health insurance cover at an affordable price. It takes a 'hybrid' approach between expensive traditional cover and the self-pay (non insured) route.

WPA is breaking the perception that health insurance is a luxury purchase. People are beginning to behave and be treated as customers rather than patients.

WPA is committed to those customers that want to work in partnership with WPA. In November WPA launched Professional Health, aimed at Professionals, where customers select from three Shared Responsibility levels. There has also been much interest in, and growth of, Shared Responsibility in the Corporate Market since we offered this option in 2003.

Such is the success of Shared Responsibility to attract new customers, to provide excellent value and importantly to control of ever increasing premiums as seen with traditional cover - in April, WPA will only sell Shared Responsibility products to the individual market. Those customers with existing individual WPA plans will continue to be given the choice to take a Shared Responsibility option or not.

WPA is the Shared Responsibility insurer in the UK.

ENDS

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