

Equipsme's approach to underwriting

What does Equipsme mean when we talk about 'exclusions for pre-existing conditions'?



Traditional private medical insurance vs Equipsme

Many private health insurance plans come with some form of underwriting for pre-existing conditions. The whole principal of insurance is about protection against the unexpected – rather than 'expected' risks. Exclusions exist to protect insurance companies from risks, and large claims. But they also work for companies, and individuals. Exclusions can help keep premium costs down, by managing the number and size of claims, and reducing the need for additional increases to be passed on to employers through higher premiums - or to the employees via P11D tax.

Equipsme's approach to underwriting

Equipsme's approach to pre-existing conditions is slightly different to other private health insurance providers, but in our opinion, is easier to understand. We don't need medical information up front, just a simple online declaration.

Equipsme has an underwriting exclusion which will not cover any disease, illness or injury where in the three years before the start of the insurance cover, a member has experienced symptoms or received medication, advice or treatment; whether or not the condition was diagnosed.

Different approach, often a similar outcome

The underwriting rules are different, but in practice the outcome for an individual claim may be the same under either approach. There will be scenarios where traditional 522 moratorium underwriting is more favourable, and others where Equipsme's 3-year pre-existing exclusion is more favourable. The examples below help bring those differences to life.

PMI - traditional 522 Moratorium	Equipsme - 3 year pre-existing exclusion
Outline - Any condition which someone has had symptoms, advice or treatment for in the last 5 years prior to cover starting, is initially excluded from cover. - After 2 consecutive years without symptoms, advice or treatment for the pre-existing condition, it may then become eligible for cover. Subject to the insurer's assessment of the claim at that time. - After enrolment, there must be a 2-year continuous trouble free period without any advice or treatment, for the pre-existing condition, before the claim is eligible.	Outline Any condition which someone has had symptoms, advice or treatment for in the 3 years prior to cover is permanently excluded from cover, whether or not the condition was diagnosed.
Administration - Requires medical history at point of claim. - Further medical information from their GP may be required to verify if something is pre-existing and they have met the trouble free period.	Administration - Requires medical history at point of claim. - Further medical information from their GP may be required to verify if something is pre-existing.

Equipsme's approach to underwriting - claims scenarios

Claim scenario 1

- Sprained knee 6 years before joining.
- Received medical attention and physiotherapy.
- No symptoms, treatment, advice or medication in the last 5 years.

PMI traditional 522 Moratorium

Clearly outside the 5 year and 2-year windows.

Likely **ACCEPTED** subject to full Terms and Conditions.

Equipsme - 3 year pre-existing exclusion

Clearly outside the 3-year window.

Likely **ACCEPTED** subject to full Terms and Conditions.

Claim scenario 2

- Lower back pain 18 months before joining.
- Visited the physiotherapist for 2 sessions and advised to do strengthening exercises at home.
- Symptoms have settled, with occasional back stiffness.

PMI traditional 522 Moratorium

Clearly within the 5 year and 2 year windows.

DECLINED.

Equipsme - 3 year pre-existing exclusion

Clearly within the 3 year window

DECLINED.

Claims scenario 3

- Fall onto a hip resulting in hip surgery 4 years prior to enrolment date.
- Physiotherapy directly after treatment.
- No symptoms or treatment within the 3 years prior to enrolment date.
- A year after enrolment, they suffer with stiffness to hip joint requiring physio.

PMI traditional 522 Moratorium

As the member experienced symptoms within the 5 years prior to their enrolment and they are still within the first 2 years of their policy, they are not covered for this condition.

DECLINED.

Equipsme - 3 year pre-existing exclusion

From the information provided the member had no symptoms, treatment or advice about this condition in the 3 years prior to their enrolment date and therefore this would be covered.

Likely **ACCEPTED** subject to full Terms and Conditions.

Claims scenario 4

- Broken right ankle over 5 years prior to their enrolment date.
- Pain in right ankle and physio sessions 2.5 years prior to their enrolment date.
- No symptoms, advice or treatment for the next 5 years.
- 2.5 years after enrolment they have a new injury to the right ankle.

PMI traditional 522 Moratorium

From the information provided the member DID have symptoms, advice or treatment about this condition in the 5 years prior to their enrolment date BUT was symptom, advice and treatment free for more than 2 continuous years beyond enrolment start date. Therefore, this would be covered, subject to the full terms and conditions.

Likely **ACCEPTED** subject to full Terms and Conditions.

Equipsme - 3 year pre-existing exclusion

Clearly within the 3 year window.

DECLINED.

Terms and conditions apply: Such as the exclusion of pre-existing conditions for Physiotherapy, Diagnosis and Treatment and the exclusion of cancer treatment. Find out more at: www.equipsme.com/our-health-insurance-plans

Contact us: Speak to your dedicated contact or email us at brokers@equipsme.com