

Why wider workforce and opt-out models make financial sense

Does covering more people mean taking on more risk? Not necessarily. Here's some of the reasons it might actually make financial sense for your clients.



Underwriting advantages

When a business offers cover to the whole workforce or a wide segment of employees (rather than only a small elite group), we believe there are several underwriting and pricing advantages:

Broader risk pool

A wider cross-section of employees means risk is spread across many people, often reducing the average age profile, and consequently reducing the impact of any one claim or overall frequency.

Improved engagement and utilisation

When more of the workforce are included, the benefit becomes more normalised, leading to higher usage of services like GP access or physio, which can help catch issues early and potentially reduce larger claims later.

Increased impact

The more people on cover and the more general and early use of services, means the bigger the impact on key metrics, like sickness absence rates and return to work times. Being able to prove the benefit provides a return on investment means its value can be recognised by decision makers, and the budget preserved or even increased.

Broader employee experience and retention

From a business viewpoint, providing benefits for more employees can improve retention and reduce adverse selection (ie, only those likely to claim join). Helping the overall underwriting base remain more balanced.

Administrative simplicity

Having everyone on similar or unified plans makes administration simpler, reducing cost leakage and complexity, which helps expense management.



Case study: UK Power Networks

UKPN introduced their plan covering more than 5000 employees with a 3% opt out. After an extensive introductory campaign, they've found the plan to be both well-received and well-used by staff.

UK Power Networks Head of Reward, HR Services and Employee Relations explained:

“The equitable thing for us to do was to modernise and equalise our health support - and that's where Equipsme has come in. So far Equipsme has been very well received. We've been particularly pleased with how many people have chosen to pay-in themselves to upgrade their cover or add family members. It means that as well as supporting the health of our people, we're also supporting their families.”

“We believe having Equipsme will have a material impact on our business. People off work, for instance with an MSK complaint, should now be able to be seen in days or weeks rather than months. That's going to impact our sickness absence rates - which is great - but not why we've made this investment.”

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

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