

16:26, 09 July, 2024

# Private insurance is no longer a privilege. How to choose a policy wisely and effectively?



Photo: facebook.com/AllianzCare

Demand for private health insurance in the UK has reached its highest level since 2008. Difficulties with timely access to NHS services are increasingly pushing people to buy a private policy, so the market is growing at an accelerated rate - by 6% annually since 2020, and the number of buyers has already reached 7.3 million people, [according to](#) the analytical company LaingBuisson. What do you need to know about buying a private health policy and how to use it rationally? Let's figure it out in our material.



Photo: facebook.com/LDNairamb

### **The main difference between private insurance and the NHS**

The most significant advantage of private insurance is that it allows you to get medical care faster. Speed and the opportunity to get a second opinion make private insurance much preferable to the NHS system, says Diana Chernetskaya, an insurance consultant at SIP Medical Family Office. “Any insurance in the UK makes sense,” she explains. “If we are talking about an adult and the operation is postponed, then, for example, you can wait from two to five years for cataract surgery - during this time, your vision can completely deteriorate. In addition, the NHS will treat according to the most necessary protocol, and the insurance company gives you the right to choose a second opinion, the right to go to another doctor - many advantages.”

Basic insurance plans generally cover consultations with doctors, treatment and even operations. However, they are designed for acute illnesses, so many chronic conditions, such as diabetes or asthma, may be excluded from the insurance policy. Moreover, in certain situations, even clients with elite insurance plans may be referred to the NHS, says GP Maria Naimark. According to her, this could be an acute heart attack, acute stroke and similar cases: “If someone has a stroke right in the corridor of a private hospital, they will be taken by ambulance to a specialist NHS stroke centre. Fortunately, the NHS is currently good and quick at treating such conditions, but when it comes to rehabilitation (for example, after a stroke) or, for example, planned cardiovascular surgery, private insurance can be extremely useful: everything will be much faster.”

The monthly premium for insurance can range from £30 to £150 or more, depending on the scope of services and a number of factors: age, medical history, family history, frequency of smoking and drinking, and even home address. So it's important to do your homework and choose a good plan. "The plan should fit your lifestyle. You need to be serious about filling out the application and informing the insurer about your medical history so there are no misunderstandings," Naimark explains.



Photo: facebook.com/GeneralandMedical

### **How to choose a policy and save on its cost?**

It is quite possible to choose the most suitable and inexpensive insurance for you. Here are some tips that can help.

#### **1. Compare insurance plans**

"Different insurance companies offer different rates and coverage options," says Diana Chernetskaya. "Look for policies that provide the coverage you need at the most competitive prices." You can use special websites for comparison, such as [Howden Life&Health](#) and [Go.Compare](#) .

#### **2. Use an insurance broker**

This option is especially useful if you already have health issues. "Brokers have access to a wide range of insurance products and can provide personal advice to help you find the best policy at the lowest price. They can also tailor your coverage and negotiate with

insurers on your behalf,” says Chernetskaya. Some brokers charge a fee for their services, and you can find them through the insurers association [Amii](#), for example .



Photo: unsplash.com

### **3. Customize your policy to your needs**

Many insurance companies sell low-cost basic plans to which you can add additional services, such as coverage for chemotherapy in the event of cancer or consultations with specific specialists. Conversely, you can exclude certain services that you definitely won't need from your policy, reducing its cost. "Assess your specific needs and choose a policy that meets them," Chernetskaya recommends.

### **4. Add an NHS waiting option**

Some insurers may reduce the cost of your policy if you choose a six-week waiting option. This means that if the waiting time for NHS treatment is six weeks or less, you will be treated in the public system, and if it is longer, you will be treated in the private system.

### **5. Increase your excess**

An excess is a pre-agreed amount that you pay yourself before you make a claim. It can be paid once a year for the first claim only. For example, if your excess is set at £500 and your treatment costs £3,000, you'll pay £500 out of pocket and the insurer will pay the remaining £2,500. "Choosing a higher excess can significantly reduce your monthly

premiums,” explains Chernetskaya. “Make sure the excess you choose is affordable in case you need to make a claim.”



Photo: [facebook.com/VitalityUK](https://www.facebook.com/VitalityUK)

## **6. Live a healthy lifestyle**

Almost all insurers offer cheaper policies if you don't smoke. “A healthy lifestyle can lead to fewer claims and qualify you for discounts or lower premiums,” says Chernetskaya. Plus, many policies include wellness programs and preventative services, such as regular checkups and screenings, which can help identify health problems early.

## **7. Know your insurance**

Always read your policy carefully and be aware of the exclusions and limitations that it does not cover. “Knowing what is and is not covered will help you make the most of your insurance benefits and avoid unexpected expenses,” explains Chernetskaya.

## **8. Use network providers**

Insurance companies often have networks of preferred providers. Using doctors, hospitals, and clinics in this network can reduce out-of-pocket costs and ensure that you get the most value from your insurance.



Photo: facebook.com/GeneralandMedical

**9. Review your insurance regularly and don't be afraid to negotiate with your insurer**

Insurance needs and policies change, so check for new discounts and benefits, make adjustments to your policy, and negotiate with your insurer to tailor your policy to your needs. Negotiate with your insurer if you find cheaper plans with similar coverage, and if you can't get a discount from your current provider, don't hesitate to switch.

**10. Consider group insurance plans**

This could be through an employer or professional association, for example. "Group plans often offer lower premiums and better coverage than individual policies," says Chernetskaya.



Photo: facebook.com/GeneralandMedical

### **Bonuses from insurers**

To attract customers, insurance companies often offer additional bonuses and programs, such as discounts on a sports club membership. The range of such "goodies" can be varied and attractive, but remember that the main thing in insurance is coverage of the cases you need and the price, so you need to choose a program based only on these two factors. However, we have compiled a list of additional privileges that may come in handy.

#### **1. Dental and vision discount**

A provider offering this option will cover some of your dental and vision costs while your policy is in force. For example, Aviva offers up to £250 for standard dental treatments with a £50 excess, up to £600 for emergency dental treatments and up to £150 for glasses and contact lenses with a £50 excess.



Photo: unsplash.com

## **2. Pregnancy**

All issues related to pregnancy are rarely covered by private insurance, but General & Medical, as part of its Elite insurance plan, [reimburses](#) £5,000 for a private hospital birth and offers a £250 cash payment. To qualify, you must be a policyholder for at least two years.

## **3. Discount on gym membership**

Almost all the major insurers offer discounts on gym memberships: Vitality [gives](#) up to 50% off membership at Nuffield Health, Virgin Active or Pure Gym, [AXA](#) - up to 40% off at Nuffield and HUSLE, [General&Medical](#) - 10% off at Anytime Fitness and 20% off at Nuffield, [Aviva](#) offers discounts of up to 25% on membership at more than 4,000 clubs across the country.





Photo: facebook.com/VitalityUK

#### **4. Apple Watch for activity**

Vitality offers an [Apple Watch Series 9](#) (£399) in three-year installments when you buy their insurance policy. The scheme works like this: the buyer pays £39 for the watch, and for the remaining three years “works off” the purchase with bonuses that they receive in a special Vitality app for physical activity. You need to get at least 160 bonuses per month (equivalent to 12,500 steps per day, five days a week). If you get less, you pay £10 for the watch in the current month and try to be more active next month. If for some reason you decide to break the contract with the insurer, just continue to pay £10 a month for the watch until the end of the installment plan.



Photo: unsplash.com

### **An alternative to private insurance (and it's not just the NHS)**

If no insurance plan is suitable and you are afraid to rely solely on the NHS, you can start saving for private treatment yourself - instead of paying a monthly premium to the insurer, put this amount into a savings account at interest. However, it is important to remember that it takes time to save up a significant amount, and in unforeseen situations, considerable funds may be required. For example, an operation to remove a cataract in one eye costs about 3 thousand pounds, and the price of a knee replacement starts from 10 thousand.

Another alternative to private health insurance is a healthcare cash plan. This is also a type of insurance where you pay for medical services yourself in full and then reimburse part of the costs in cash. Each provider has a limit on how much they can reimburse for a particular type of treatment. For example, the most [basic plan](#) (costing £5 per month) offers to reimburse up to £30 for dental services, £50 for preventive health checks and up to £100 for consultations with specialists.