

## Private Medical Insurance

### Target Market Statement – Freedom Elite (for broker use only)

This statement has been prepared by Freedom Healthnet Ltd to provide an overview of our Freedom Elite (for group schemes) product. It is intended to help brokers understand the identified target market for this product. Further details of all our products can be found on our website at [freedomhealthinsurance.co.uk](https://freedomhealthinsurance.co.uk).

Product name	Freedom Elite (for group schemes)
<b>What is Freedom Elite (for group schemes)?</b>	<p>Freedom Elite is a traditional, fully comprehensive, private medical insurance product. It is available to individual consumers and Small to Medium Enterprises (SMEs).</p> <p>Freedom Elite is designed to meet the cost of elective, short-term medical treatment provided by a specialist which a person needs because they are suffering from an unexpected acute condition.</p> <p>Freedom Elite is a flexible product built around a mandatory core cover with options to adjust cover in line with individual needs and budgets.</p> <p>When sold to an SME, it should be considered a commercial product.</p>
<b>Who is Freedom Elite (for group schemes) designed for?</b>	<p>Freedom Elite is designed for SMEs with 2-250 employees. The product is intended to provide cover for directors, business partners, owners, and PAYE employees (collectively referred to as 'members') of an actively trading business based in the UK or Channel Islands.</p> <p>Partners and children can also be included in the group scheme. Children can be covered up to the age of 30.</p>
<b>Are there any specific characteristics, including, customer vulnerability, to be aware of?</b>	<p>Businesses who may be under financial strain due to the impact of pandemic may not be able to afford premiums on an ongoing basis. However, their employees will still be able to use the NHS for their medical treatment.</p> <p>Members who have ongoing or recent medical symptoms, whether they have seen a doctor or been diagnosed with a specific condition or not, are unlikely to be able to use this product to receive private treatment for those symptoms.</p> <p>Members who have ongoing or recent medical conditions and are currently going through or have recently been through, medical treatment are unlikely to be able to use this product to receive private treatment for those conditions.</p>

**Who is Freedom Elite (for group schemes) not designed for, or are there any types of SME for whom it would not provide the intended value?**

Freedom Elite can be sold to a wide range of SMEs, but there are a few types of SMEs for whom it is either not suitable or available.

- Freedom Elite cannot be sold to SMEs based outside the UK or Channel Islands. It may also not be suitable for SMEs whose members live outside, or who wish to receive treatment outside, these areas.
- Freedom Elite cannot be sold as a group scheme to SMEs with only one member. However, they can take a Freedom Elite policy as a consumer.
- Certain high-risk occupations will not be covered such as asbestos workers, members of the armed forces and professional sportspeople.
- In keeping with other products of a similar nature, no cover is provided for pre-existing medical conditions so Freedom Elite may not be suitable for members with a significant medical history.
- The SME should consider the availability of local hospitals, particularly if their members live in central London or expect to use the hospitals which are only included in the Plus hospital list extension.

In more general terms, as with all products, you should consider whether the product and underwriting approach is suitable for the SME you are advising.

**What are the key value elements of Freedom Elite (for group schemes) which are important for the target market?**

- An SME can create different categories of cover for defined groups of members within the group scheme (e.g., Directors, managers, other employees).
- Eligible costs are normally paid in full direct to the provider.
- UK-based claims team.
- No claim forms.
- Access to a 24-hour GP helpline at no additional cost.

**What customer need is met by Freedom Elite (for group schemes)?**

Freedom Elite is a health insurance product for SMEs who would like their members (and possibly their dependents) to have immediate access to healthcare services without having to wait for an NHS appointment. This includes prompt referrals to specialists, quick admission to hospital for inpatient and daypatient treatment, and necessary follow-up treatment on discharge from hospital, all at a convenient time and place. Therefore, Freedom Elite could be suitable for SMEs who want to help their members return to work quickly following illness or injury without having to rely on NHS services. This will help the SMEs manage absence costs.

In addition, it is recognised that offering private medical insurance cover is seen as a key employee benefit so Freedom Elite could help SMEs attract and retain employees.

Freedom Elite enables access to healthcare services in a private hospital or clinic so could be suitable for SMEs who want their members to enjoy a higher standard of comfort whilst receiving medical treatment including a private room with ensuite facilities.

Private medical insurance is a premium product, providing an alternative to free healthcare services offered by the NHS. Therefore, it is most likely to be suitable to SMEs wanting to offer their members health insurance benefits.

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**Can Freedom Elite (for group schemes) be sold without advice?**

Freedom Elite should be sold in line with FCA regulations and can be sold with or without advice. However, we recognise that, when being sold to group schemes, Freedom Elite is usually sold on an advised basis.

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**How can Freedom Elite (for group schemes) be sold?**

Freedom Elite can only be sold to SMEs face to face, over the telephone or via email. At present, it cannot be sold digitally via the broker portal on our website.

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**Fair Value Assessment**

Freedom Health Insurance are joint product manufacturers with our underwriters Allianz Worldwide Partners P&C SA. We are obliged to make available all relevant information required to assist in understanding the provision of fair value by our products.

Freedom products are distributed through brokers with commission. A fair value assessment of the Freedom Elite Group product has been carried out and it is believed that inclusive of commission the products offer fair value. No additional fees should be charged with the sale of Freedom Health Insurance products without customers being aware of the added value being provided over and above that available from the product alone and the product also being available without additional services.

Freedom Health Insurance is one of the smaller PMI providers and focusses on the provision of competitively priced products, backed by first class customer service and personal interaction with customers. In assessing customer value, we have considered the cover provided, the premium collection processes, the value of claims paid under each product, the average and maximum value of claims and the numbers of claims paid. We have also considered volumes of complaints and feedback through root cause analysis. The consideration of these matters is an ongoing process, the latest assessment was completed in Q3 2023.

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## Freedom Elite (for group schemes) benefits

Product cover	Cover available	What is covered	Who could this be suitable for?
Core cover	All Freedom Elite policies include the core cover as standard.	<p>Inpatient and daypatient treatment costs covered in full.</p> <p>The core cover includes certain pregnancy complications and dental surgical procedures, MRI, CT and PET scans, home nursing, private ambulance, and an NHS cash benefit.</p> <p>The core cover includes full cancer cover which covers active cancer treatment, palliative care, and aftercare.</p> <p>The core cover includes access to a 24-hour GP helpline.</p>	<p>SMEs who choose the core cover only will want reassurance of their members having cover for inpatient and daypatient treatment of an acute condition, in a private hospital, under the care of a specialist without having to wait for an NHS appointment.</p> <p>They will also have extensive cover for the treatment and aftercare of cancer following diagnosis.</p> <p>As there will be no cover for outpatient treatment such as diagnostic tests, SMEs will need to make alternative provision (such as a cash plan) or accept members will have to pay for their own outpatient treatment, including specialist consultations, diagnostic tests, and physiotherapy, or use the NHS for such services.</p>

Additional cover options – these come at an extra cost and can be added to the core cover to provide a more comprehensive policy			
Product cover	Cover available	What is covered	Who could this be suitable for?
Outpatient treatment	One option which covers all elements listed.	<p>Provides cover for outpatient treatment including:</p> <ul style="list-style-type: none"> <li>• diagnostic tests (excluding MRI, CT and PET scans) requested by a GP (up to £750); and</li> <li>• specialist consultations, diagnostic tests and physiotherapy treatment (full refund or up to £1.500 depending on the level of cover chosen).</li> </ul> <p>Cover for physiotherapy on GP referral is limited to a maximum of six sessions.</p> <p>MRI, CT and PET scans are covered in full under the core cover.</p> <p>There is no cover for treatment not recommended by a GP or a specialist.</p> <p>If the SME limits the cover for outpatient treatment to £1,500, the limit does not apply to outpatient cancer treatment received after a member has been diagnosed with cancer.</p>	<p>SMEs who add this cover want reassurance of their members having prompt access to diagnostic tests if they have symptoms which their GP believes need investigating. This means their members will not have to self-fund or rely on NHS services for diagnostic tests to find out what is causing their symptoms.</p> <p>They will also want their members to have peace of mind in knowing they have comprehensive cover for outpatient treatment (including diagnosis) of an acute condition provided by a specialist when referred by a GP.</p> <p><b>‘Full refund’ option</b> This option is more suitable for SMEs who want reassurance of all eligible costs being settled in full without the risk of their members having to pay some of the costs themselves if extensive or expensive outpatient treatment is required.</p> <p><b>‘£1,500 limit’ option</b> This option could be suitable for SMEs who want their members to be covered for the more</p>

			<p>expensive procedures, but accept members will need to self-fund, in all or in part, minor outpatient services such as consultations and diagnostic tests, or to make use of NHS services.</p> <p>This option is unlikely to be suitable for SMEs who do not want to expose their members to cost. If a member has limited outpatient cover and reaches this limit within a period of insurance, the SME will need to make alternative arrangements or ask the member to either self-fund the rest of their outpatient treatment until a new period of insurance begins or transfer their care to the NHS.</p> <p>This option is unlikely to be suitable for SMEs whose members live in areas of high medical costs such as central London and who are likely to use private medical facilities in these areas.</p>
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Product cover	Cover available	What is covered	Who could this be suitable for?
Alternative therapies	One option which covers all elements listed.	<p>Provides cover for treatment provided by acupuncturist, chiropractor, homeopath, osteopath, and podiatrist, in full, up to the chosen annual limit (either £750 or £1,500) when referred by a specialist.</p> <p>GP referred treatment is limited to a maximum of six sessions across all treatments combined.</p> <p>There is no cover for treatment not recommended by a GP or a specialist.</p>	<p>SMEs who add this cover want their members to be able to access a range of different therapies without the need to see a specialist first. Their GP can refer them for treatment. This is usually for more minor ailments and injuries which do not need extensive specialist investigations.</p>
Mental health care	One option which covers inpatient, daypatient and outpatient treatment.	<p>Provides cover for diagnosis and treatment of an acute mental or psychiatric illness associated with present distress or substantial impairment in the ability to function in a major life activity.</p> <p>Cover for inpatient and daypatient treatment is limited to 45 days and cover for outpatient treatment is limited to £2,000.</p>	<p>SMEs who add this cover recognise that mental health concerns are a leading cause of workplace absenteeism and want to provide their members with access to prompt treatment from a specialist if they experience an acute deterioration in their mental health which impairs their day-to-day life such as severe anxiety or depression and affects their ability to work. This option helps members seek treatment options which aim to return them to work as soon as possible, minimising the impact on the SME.</p> <p>This option is unlikely to be suitable for members who have existing chronic mental health conditions.</p>

Additional cover options (continued)			
Product cover	Cover available	What is covered	Who could this be suitable for?
Dental, optical and private GP costs	One option which covers all elements listed.	<p>Routine dental costs cover provides reimbursement (up to £300) for routine dental services to maintain oral hygiene such as check-ups, x-rays, cleaning, fillings, and crowns.</p> <p>Accidental dental injury cover provides reimbursement (up to £600) for treatment of an accidental dental injury.</p> <p>Optical costs cover provides reimbursement (up to £200) for routine eye tests, prescription glasses and contact lenses following a change in prescription.</p> <p>Private GP costs provides reimbursement (up to £300) for consultations with, and diagnostic tests and treatment provided by, a private GP.</p> <p>A compulsory £50 excess applies to this whole section of cover. The excess applies per person, per period of insurance.</p>	<p>Some members may incur regular dental and/or optical costs each year so this cover could be suitable for SMEs who want their members to be able to claim a contribution towards these costs.</p> <p>Some members may also prefer to use the services of a private GP instead of an NHS GP so this cover could be suitable for SMEs who want their members to be able to claim a contribution towards these costs.</p> <p>SMEs choosing this option recognise an excess and monetary limits apply so their members not receive the full cost of their treatment.</p> <p>This option might not be appropriate for an SME or members who already have a dental plan or a cash plan as they could have duplicate cover.</p>

Product cover	Cover available	What is covered	Who could this be suitable for?
Excess options	£100, £250, £500 or £1,000	<p>An excess is an amount each person on the policy pays towards the cost of their treatment which is covered by the policy.</p> <p>The first costs incurred each policy year must be paid by the member up to the chosen excess level. The remaining eligible costs will then be covered by their policy regardless of the number of claims made during the same policy year.</p> <p>Freedom Elite does not have a mandatory excess, but we reserve the right to impose one at the beginning of a policy year without giving a premium discount.</p>	<p>An excess could be suitable for SMEs who are willing to ask their members to pay the first part of the cost of eligible treatment themselves. In choosing an excess, the SME normally benefits from a discount.</p> <p>SMEs choosing an excess for their group scheme know how much their members will need to contribute towards their treatment costs. They will need to make sure they choose an excess amount their members are likely to be comfortable with and can afford should they need to claim.</p>

Product cover	Cover available	What is covered	Who could this be suitable for?
Hospital list	One to be chosen	<p>Freedom Elite offers two hospital bands – Standard and Plus.</p> <p>The Standard hospital list is the default list associated with Freedom Elite if the Plus list is not selected. It provides access to a comprehensive range of private hospitals throughout the UK (excluding all HCA Healthcare facilities across the UK) as well as all NHS hospitals which provide private patient treatment services.</p> <p>The Plus list includes all the hospitals on the Standard list and the HCA Healthcare facilities across the UK.</p>	<p>SMEs choosing the Standard hospital list have the reassurance of knowing their members will be able to access most private hospitals across the country. They are likely to be able to choose from several hospitals in their local area although more remote parts of the UK may have fewer choices.</p> <p>The choice of hospital list should be based on where the SME members live and where they are likely to go if they need medical treatment.</p> <p>The Standard hospital list may not be suitable for SME members living in central London and who are likely to use HCA Healthcare facilities unless they are willing to pay half of their treatment cost.</p> <p>The Plus hospital list may be more suitable for SME members living in central London and the surrounding areas and are likely to use HCA Healthcare facilities for their treatment although other hospitals may be available.</p> <p>The Plus hospital list may also be more suitable for SME members expecting to travel to central London for treatment at the HCA Healthcare facilities or who live elsewhere in the UK and are</p>

			<p>likely to use other HCA Healthcare facilities if they need treatment.</p> <p>SMEs choosing the Plus hospital list agree to pay an increased premium.</p> <p>The Plus hospital list is unlikely to be suitable for SME members who do not live in, or travel to, central London for their treatment or are unlikely to use HCA Healthcare facilities elsewhere in the UK.</p>
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01/10/2023