



Fair Value Product Assessment

Product Name: Flex Company Paid

Target Market: Corporate employee benefits market.

Any identified markets for whom the product is not suitable: Companies outside of the UK

Number	Assessment Question/ Category	Assessment
1.	Details of the nature of the product	Health Cash Plan
2.	Coverage that the product provides.	Refer to benefit table: https://www.medicash.org/wp-content/uploads/2022/01/Flex_2015_CP_BT2739_OCT21.pdf and Terms & Conditions: https://www.medicash.org/wp-content/uploads/2022/01/Medicash_Corporate_Terms_and_Conditions_JAN22.pdf
3.	Limitations in relation to coverage (including but not limited to exclusions, limits of liability, excesses)	<p>RESTRICTIONS</p> <ul style="list-style-type: none"> • Annual Benefit allowances. • Claims must be received within 26 weeks of the treatment date or date of accident. • Dental Accident & Injury claims require attendance for a dental emergency appointment within five days of the accident or injury. • The price of the monthly premium remains the same for the year that the policy is in force from inception. As this is a flexible benefits based plan, the policy remains in force for one year, on the same terms. A change can though be made in the event of a significant life event (e.g ,marriage, divorce, birth or adoption of a child, bereavement in immediate family), with a partner added or potential early cancellation of the cover. • Up to four dependent children are covered at no extra cost, up to their 24th birthday if in full time education, claiming half of the adult entitlement for the benefits as specified on the benefit table. <p>NOT INSURED</p> <ul style="list-style-type: none"> • Treatment provided by immediate family. • Treatments or benefits arranged, paid or facilitated through your employer or another employee. • Any charges for completion of claim forms or any medical information we need to support your claim. See T&Cs for full list of exclusions and IPID.

4.	Type & quality of the services to be provided	<p>Policyholders will have access to all the benefits specified on the benefit table.</p> <p>Access to the My Medicash app, providing easy claim submission, access to policy documents and ancillary services.</p> <p>Customer support from Medicash by both telephone and email. Telephone lines are open 8am to 5pm, Monday to Friday (excluding bank holidays), with 80% of calls answered within 20 seconds and less than 5% abandoned. Emails are responded to within 2 working days.</p> <p>Claims can also be submitted through the website or by post.</p> <p>Payment is ordinarily made by bank transfer using a fast payment service, meaning that following a claim being authorised, payments are credited to the policyholder's bank account by the end of the following working day and often within 24 hours. Payment can also be made by cheque.</p> <p>The 'Medicash Assist' service is available for policyholders with characteristics of vulnerability (Medicash Assist Medicash).</p>															
5.	Is the product net priced	All premiums quoted include Insurance Premium Tax.															
6.	Total price to be paid by the customer	<p>There is no direct cost to the policyholder as Flex is provided as an employee benefit, paid for by the employer. Should the policyholder opt to increase to a higher level of cover, paying for the increase, they will be liable for this element of the premium paid, which includes Insurance Premium Tax (IPT).</p> <p>The cover is counted as a benefit in kind for tax purposes on the element provided by the employer.</p>															
7.	Details of the pricing model used to calculate the risk premium i) for the initial policy term, ii) for any future renewal	<p>For new business, standard rates apply on a community underwritten basis. If a discounted plan is requested, then a risk based demographic approach is engaged.</p> <p>If a group is switching a cash plan to Medicash, then the pricing model is based on risk analysis of claims data.</p> <p>At renewal, a review of claims data informs the risk approach to premium structure.</p>															
8.	Breakdown of the overall cost to the firm of the insurance product	<p>The standard charges as of 14.9.22 are:-</p> <table border="1" data-bbox="496 1827 1142 1951"> <thead> <tr> <th></th> <th>Level 1</th> <th>Level 2</th> <th>Level 3</th> <th>Level 4</th> </tr> </thead> <tbody> <tr> <td>Solo</td> <td>£5.20</td> <td>£13.00</td> <td>£23.20</td> <td>£34.70</td> </tr> <tr> <td>Dual</td> <td>£10.40</td> <td>£26.00</td> <td>£46.40</td> <td>£69.35</td> </tr> </tbody> </table>		Level 1	Level 2	Level 3	Level 4	Solo	£5.20	£13.00	£23.20	£34.70	Dual	£10.40	£26.00	£46.40	£69.35
	Level 1	Level 2	Level 3	Level 4													
Solo	£5.20	£13.00	£23.20	£34.70													
Dual	£10.40	£26.00	£46.40	£69.35													

		For business transferred from a previous cash plan provider, claim history is requested and this may result in an uplift to the standard premiums offered.
9.	Details of the remuneration of each party in the distribution chain where this is part of the premium or otherwise paid directly by the customer	10% is the standard commission rate payable to any broker as applicable. There is no additional remuneration in terms of direct sales to group entities.
10.	Are any changes expected to the total price a customer will pay during the period that they hold the product (including at the first or any subsequent renewal or any other point in time?)	<p>The price of the monthly premium remains the same for the year that the policy is in force from inception. As this is a flexible benefits based plan, the policy remains in force for one year, on the same terms. A change can be made in the event of a significant life event (e.g ,marriage, divorce, birth or adoption of a child, bereavement in immediate family), with a partner added or potential early cancellation of the cover.</p> <p>The group choose which life events are applicable to their employees.</p> <p>The product is provided on the basis of the corporate relationship continuing with Medicash, a decision which ultimately rests with the employer providing a flexible benefits 'platform' or system selected by the employer. In the event the arrangement ends, the policyholder will be able to apply for a policy on a direct debit paid basis from Medicash, although this will differ from the Flex plan in terms of cost and benefits.</p>
11.	Is any change to the insured risk expected over time, for example to the nature, financial value or a customers usage of an underlying good to	There is no change to the insured risk expected. The plan is provided as specified, with no changes built in.

	which the insurance relates?	
12.	Is the number of expected claims that may be made, or financial value of any such claim, expected to change over time due to the nature of the product, the customer's needs or any relevant features of the insured risk, for example i) as a result of expected depreciation in the value of the insured asset, ii) where the customer's need or eligibility for certain cover may change for example in a customer's usage.	There is nothing inherent built into the product which would result in expected claims variation or changes to policyholder needs and risk.
13.	Could the total premiums expected to be paid over the length of time a customer	The monthly premium is fixed for the one year that the policy is in force. See (10) for further details.

	would hold the product, exceed the benefits that could be received from claims for example due to cover limits applying across the foreseeable period.	
14.	Could benefits offered by the policy at inception not be available at subsequent renewals, due to exclusions or claim limits, without any commensurate reduction in the premium?	<p>The plan is offered on the basis of the corporate relationship continuing between Medicash and the employer in question. It is possible that if the arrangement ends whereby the employer is facilitating the Medicash plan being provided as part of their flexible benefit offering. The cover would then end at the end of the benefit window. They could then select to continue.</p> <p>If cover is ended by the employer, the policyholder would be able to apply at this point for one of Medicash's direct plans, albeit these would have a different premium and benefit structure.</p>
15.	Could customers be discouraged from or unable to renew due to the level of ongoing premiums including increases at renewal meaning they may not be receiving the full	Medicash's plans are based around an annual benefit cycle with benefit maximums for each treatment area and access to ancillary services. In the event the policy was not renewed, this would not result in the policyholder not receiving the full intended benefits.

	intended benefits of the product.	
--	---	--

Fair value assessment satisfactorily completed: **YES**

If 'N', mitigating actions to be detailed below.

Version date: 14th September 2022