



## Fair Value Product Assessment

Product Name: Bespoke Company Paid

Target Market: Corporate Company Paid employee benefit only.

Any identified markets for whom the product is not suitable: Direct paying policyholders, non UK residents.

Num ber	Assessment Question/ Category	Assessment
1.	Details of the nature of the product	Health Cash Plan.
2.	Coverage that the product provides.	<a href="https://www.medicash.org/wp-content/uploads/2022/01/Medicash_Corporate_Terms_and_Conditions_JAN22.pdf">https://www.medicash.org/wp-content/uploads/2022/01/Medicash_Corporate_Terms_and_Conditions_JAN22.pdf</a>  See benefit table for particular plan.
3.	Limitations in relation to coverage (including but not limited to exclusions, limits of liability, excesses)	<b>RESTRICTIONS</b> <ul style="list-style-type: none"> <li>• Annual Benefit allowances.</li> <li>• Birth of a Child (if included): this benefit cannot be claimed for babies born within 12 months of policy inception.</li> <li>• Claims must be received within 26 weeks of the treatment date or date of accident.</li> <li>• Dental Accident &amp; Injury claims require attendance for a dental emergency appointment within five days of the accident or injury.</li> <li>• Hospital benefits (if included): claims relating to pre-existing conditions are not covered for 3 years following policy inception.</li> <li>• Up to four dependent children are covered at no extra cost, up to their 24<sup>th</sup> birthday if in full time education. Depending on the policy contract dependants could claim half of the adult entitlement for the benefits as specified on the benefit table; have a shared pot for the benefits as specified on the benefit table or claim 100% for the benefits as specified on the benefit table.</li> </ul>

		<p>NOT INSURED</p> <ul style="list-style-type: none"> <li>• Treatment provided by immediate family.</li> <li>• Treatments or benefits arranged, paid or facilitated through your employer or another employee.</li> <li>• Any charges for completion of claim forms or any medical information we need to support your claim.</li> </ul>
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, post or the My Medicash app.</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 (<a href="#">Medicash Assist   Medicash</a>).</p>
5.	Is the product net priced?	<p>All premiums quoted include Insurance Premium Tax and all commissions.</p>

6.	Total price to be paid by the customer	<p>For pricing refer to the quotation table.</p> <p>There is no cost to the policyholder as the cover is provided as an employee benefit, paid for by the employer. However there may be a benefit in kind liability dependant on the amount of contribution the employer selects. The cover is counted as a benefit in kind for tax purposes on the element provided by the employer.</p> <p>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>
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, if a bespoke 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 group anniversary, a review of claims data compared to premium structure, informs a risk approach to premium structure. Premiums may increase, remain the same or a credit from sister organisation Health@Work is offered. Benefits can be increased.</p>
8.	Breakdown of the overall cost to the firm of the insurance product	<p>For pricing refer to the bespoke plan contract table.</p>
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	<p>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.</p>
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>See (6) for details of the price paid by the policyholder.</p> <p>At group anniversary, agreement will be sought between Medicash and the employer/ intermediary regarding renewal terms. This could result in renewal with no price changes, renewal with a different price structure, non-renewal or renewal on a different plan.</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 which the insurance relates?	There is no change to the insured risk expected. The plan is provided as specified, with no changes built in. See questions 7. 10 & 14 for details of the situation at group anniversary.
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.	No.
13.	Could the total premiums expected to be paid over the length of time a customer would hold the product, exceed the benefits that could be received from claims for example due to cover limits applying across the foreseeable period.	As this is a company paid plan, there is no premium paid by the policyholder. A policyholder can opt to increase to a higher level of cover however, paying a fixed premium for this. Any potential level upgrade costs to be paid by the member of staff are reviewed as part of the renewal review.

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>At anniversary of the group contract, agreement will be sought between Medicash and the employer/ intermediary regarding renewal terms. This could result in renewal, renewal with a different price structure, non-renewal or renewal on a different plan.</p> <p>In addition, individuals who have opted out of having the plan, may at policy anniversary choose to be covered by arrangement with their employer.</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 intended benefits of the product.	<p>At group anniversary, agreement will be sought between Medicash and the employer/ intermediary regarding renewal terms. This could result in renewal, renewal with a different price structure, non-renewal or renewal on a different plan.</p> <p>Premiums are paid by the employer and not the policyholder, so in the event of any increase in premium, there is no effect on the value to the policyholder in terms of the price paid.</p> <p>Plans are based on benefits provided on an annual cycle so there would be no impact on the full intended benefits.</p>

**Fair value assessment satisfactorily completed: YES**

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

**Version date: 1 September 2023**

**Next review date: 1 September 2024**

Yearly update:

1 September 2023	No changes to cover or any significant variance to outcomes since previous annual review.
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