

# Healthcare insurance products

## Objective

To provide knowledge and understanding of the fundamental principles and practices relating to healthcare insurance.

Summary of learning outcomes	Number of questions in the examination*
1. Understand the structure of the UK healthcare insurance market.	10
2. Understand the key features of healthcare provision in the UK and overseas.	5
3. Understand healthcare product types.	20
4. Understand the different roles and responsibilities of intermediaries and providers.	10
5. Understand risk assessment, rating and underwriting considerations.	15
6. Know how to apply the principles of risk assessment, rating and underwriting considerations to a given set of circumstances.	5
7. Understand the claims function.	16
8. Know how to apply the principles of the claims process to a given set of circumstances.	4
9. Understand legal and regulatory considerations.	11
10. Know how to apply the principles contained within law and regulation to a given set of circumstances.	4

\* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

## Important notes

- Method of assessment: 100 multiple choice questions (MCQs). 2 hours are allowed for this examination.
- This syllabus will be examined from 1 January 2021 until 31 December 2021.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
  1. Visit [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)
  2. Select the appropriate qualification
  3. Select your unit from the list provided
  4. Select qualification update on the right hand side of the page

## **1. Understand the structure of the UK healthcare insurance market.**

- 1.1 Describe the organisation and function of providers of healthcare insurance products.
- 1.2 Describe the basic function and operation of employee healthcare trusts.
- 1.3 Describe the organisation and main distribution channels and marketing methods used in the healthcare insurance market

## **2. Understand the key features of healthcare provision in the UK and overseas.**

- 2.1 Explain the key features and provisions of the National Health Service and Independent Healthcare Sector in the UK.
- 2.2 Describe the key features of global healthcare markets.
- 2.3 Describe the key features of global healthcare trends.

## **3. Understand healthcare product types.**

- 3.1 Explain the purpose of medical insurance.
- 3.2 Describe the scope of medical insurance.
- 3.3 Explain the main features of medical insurance products.
- 3.4 Explain the main differences between individual medical insurance and small and medium enterprise group medical insurance.
- 3.5 Explain the main features of corporate medical schemes.
- 3.6 Describe the main features of health cash plans.
- 3.7 Describe the main features of dental insurance and capitation plans.
- 3.8 Describe the main features of international medical insurance.
- 3.9 Describe the main features of well-being and occupational health services.
- 3.10 Describe the medical benefits offered under travel insurance schemes.
- 3.11 Describe the main features of other healthcare insurance products and services.

## **4. Understand the different roles and responsibilities of intermediaries and providers.**

- 4.1 Describe the role and responsibilities of the intermediary.
- 4.2 Describe the role and responsibilities of the provider.

## **5. Understand risk assessment, rating and underwriting considerations.**

- 5.1 Describe the main risk considerations and general underwriting principles of private medical insurance.
- 5.2 Explain the styles of underwriting.
- 5.3 Understand the pricing considerations for core healthcare products.

## **6. Know how to apply the principles of risk assessment, rating and underwriting**

## **considerations to a given set of circumstances.**

- 6.1 Apply the principles of risk assessment, rating and underwriting considerations to a given set of circumstances.

## **7. Understand the claims function.**

- 7.1 Understand the processes involved in a claim under private medical insurance policies and other core product policies.
- 7.2 Understand factors that contribute to healthcare claims costs.
- 7.3 Describe the main methods by which claims costs may be controlled.

## **8. Know how to apply the principles of the claims process to a given set of circumstances.**

- 8.1 Apply the principles of the claims process to a given set of circumstances.

## **9. Understand legal and regulatory considerations.**

- 9.1 Understand the main elements of the Financial Conduct Authority regulations.
- 9.2 Explain complaints handling and dispute resolution relating to healthcare insurance.
- 9.3 Describe the main features of ABI relating to healthcare insurance.
- 9.4 Explain the effect on healthcare insurance of relevant legislation.
- 9.5 Explain the personal taxation implications for holders of healthcare insurance.
- 9.6 Explain the company taxation implications for corporate purchasers of healthcare insurance.

## **10. Know how to apply the principles contained within law and regulation to a given set of circumstances.**

- 10.1 Apply the principles contained within law and regulation to a given set of circumstances.

## Reading list

The following list provides details of further reading which may assist you with your studies.

**Note: The examination will test the syllabus alone.**

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

### CII study texts

Healthcare insurance products. London: CII. Study text IF7.

### Books (and ebooks)

The modern law of insurance. Andrew McGee. LexisNexis, 2011.

### Factfiles and other online resources

The Insurance Institute of London (IIL) podcast lecture series features leading industry figures and subject experts speaking on current issues and trends impacting insurance and financial services. Available online at <https://www.cii.co.uk/insurance-institute-of-london/> (CII/PFS members only).

Critical illness insurance. Andy Couchman.

Long-term care insurance. Andy Couchman.

Payment protection insurance. Andy Couchman.

### Periodicals

The Journal. London: CII. Six issues a year. Archive available online at <https://www.thepfs.org/search-results/?q=the+journal> (CII/PFS members only).

Post magazine. London: Incisive Financial Publishing. Monthly. Contents searchable online at [www.postonline.co.uk](http://www.postonline.co.uk).

### Reference materials

Concise encyclopedia of insurance terms. Laurence S. Silver, et al. New York: Routledge, 2010.

Dictionary of insurance. C Bennett. 2nd ed. London: Pearson Education, 2004.

The insurance manual. Stourbridge, West Midlands: Insurance Publishing & Printing Co. Looseleaf, updated.

## Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate ([www.revisionmate.com](http://www.revisionmate.com)). Details of how to access Revisionmate are on the first page of your study text.

It is recommended that you only study from the most recent version of the examination guide.

## Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at [www.cii.co.uk/iilrevision](http://www.cii.co.uk/iilrevision) (CII/PFS members only).