

Insurance **POST**

Analysis: A healthy mind: Providing mental healthcare in PMI



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NEED TO KNOW

- 82% of insurers now include mental health as standard in their PMI policies rather than as an add-on
- With mental health one of the leading causes of workplace absence, this cover within group PMI policies has become a fundamental requirement
- There is a move towards early intervention
- Direct access, whereby individuals refer themselves rather than going through their GP, helps them circumnavigate stigma, particularly in the workplace
- More medical insurers are offering case management as a key part of their service

More medical insurers are including mental health as standard in their policies but there could remain a gap in provision if condition monitoring doesn't become more widespread

Mental health has always been included to some extent in medical insurance policies, but with the NHS under growing pressure and mental health conditions costing the UK economy around £99bn a year, insurers are having to react to increasing customer demand.

Mental health charity Mind says one in four people will experience a mental health problem every year. And NHS Digital data reveals that 14% of fit notes issued by GPs to employers in Q3 of 2017 were for mental health-related issues, a 9% increase on the previous year.

The market is responding to these growing issues, not least because, as **Ardonagh CEO David Ross** believes, it is "uniquely placed" to champion change when it comes to supporting individuals experiencing an array of mental health conditions.

Online price comparison service Active Quote has released data showing that 82% of insurers now include mental health as standard in their PMI policies rather than as an add-on. Its managing director Rob Saunders says that could help take the strain off the NHS and raise consumer confidence. "We are expecting insurers to increasingly offer policies with mental health cover as standard," he says. "It feels a little embryonic perhaps, but it's something we didn't see 12 months ago."

Indeed, Charles Alberts, wellbeing specialist at Aon Employee Benefits, describes 2017 as a "stellar year" for mental health, with the **Duke and Duchess of Cambridge and Prince Harry** making the case for a more open mental health culture. The general trend towards mental health awareness has been evolving over the last decade, with more people speaking out about their experiences and seeking help while companies are putting mental health higher up the business agenda.

Stiff-upper-lip syndrome

"There's still the British stiff-upper-lip syndrome," concedes Paul Moulton, director of intermediary distribution at Axa PPP Healthcare. "But overall, people now recognise that seeking support is the best way forward."

Q&A

Q How many people are currently receiving treatment? And what is the most common type of treatment?

A Reports from England and Wales suggest that approximately one in eight adults with a mental health problem are currently receiving treatment.

Medication is reported as the most common type of treatment for a mental health problem

Source: Mind

Active Quote's own survey bears this out, identifying a significant trend with more people than ever asking for mental health cover. In particular, Saunders points to anecdotal evidence where parents are asking for mental health cover for their children going through exams while others are asking about cover for their siblings.

"Insurers are reacting quicker to market changes like these. Hopefully every insurer will offer comprehensive mental

health cover in the future," Saunders comments.

If the current trajectory is anything to go by, it's entirely possible. Historically, mental health cover was restricted to 'psychiatric benefit', which tended to cover conditions which could be 'cured' while many conditions were excluded or limited. When psychiatric costs in the industry increased, the market reacted and insurers ended up offering entire policies that didn't offer psychiatric cover.

"It was a very blunt way of controlling costs," says Alberts. "Fortunately, the market has moved on quite significantly since and insurers have become a lot more sophisticated. More are realising the importance of including comprehensive mental health cover in their policies."

Experts agree that the stigma of mental health has significantly eroded over the last five to 10 years, a change brought about by what Moulton describes as a 'societal shift' in attitudes and celebrity endorsement. Yet, as Saunders points out, market response has tended to be primarily reactive.

"Let's not kid ourselves that while the stigma of mental health has started to erode in the last decade and customers are more willing to make a claim, insurers are having to sharpen their pencils and ensure they understand what it actually means," he says. "They have no choice but to respond to demand."

But for Paul Roberts, senior consultant at health and wellbeing consultancy IHC, it would be ill-advised to do anything else. “The idea of not including mental health cover is absolutely bonkers,” he insists. “We don’t discriminate between right and left leg cover, so why discriminate between mental and physical health? Why would you bother doing medical insurance and not include mental health? It’s almost counterintuitive these days.”

Struggling to keep staff

Particularly in the workplace, where, as Roberts says, employers are struggling to keep staff with mental health conditions in work, mental health cover within group PMI policies has become a fundamental requirement. Indeed, mental health is one of the leading causes of workplace absence.

Dr Peter Mills, clinical director at Cigna Insurance, says that depression, anxiety and even addiction problems are becoming much more prevalent. “Attitudes towards mental health have changed, without a doubt,” says Mills. “An employer only has to have one key individual signed off work with a significant mental health illness for the impact to hit home. Often, it needs more than short-term employee-assistance programme provision. It needs proper provision of expert services.”

Moreover, Mills points to evidence suggesting that individuals with anxiety or depression can incur 20% to 30% higher costs than those who don’t. “It’s not clearly understood why, but we see the huge impact mental health can have on individuals, their dependants and society as a whole.”

Did you know?

7.8% of people meet the criteria for diagnosis of mixed anxiety and depression, making it the most common mental disorder in Britain

Mixed anxiety and depression has been estimated to cause **one-fifth** of days lost from work in Britain

4% to 10% of people in England will experience depression in their lifetime

One in six adults had a common mental disorder

The poorer and more disadvantaged are disproportionately affected by common mental health problems and their adverse consequences

Source: Mental Health Foundation

That's why mental health issues are putting such a burden on the NHS, although that in itself is nothing new. Moulton describes the NHS as a 'finite capability', with increasing health-related demands from an ageing population. It's inevitable then that potentially non-life-threatening issues like mental illness are placed further down the priority list.

The onus is, therefore, increasingly on PMI provision to bridge the gap, so it stands to reason that the current product evolution of mental cover is unlikely to change: many would see it as a backward step.

"In the past, mental health cover has been rather vague with what's covered and what isn't," Mills concedes, "but we're much more explicit now and I can't see that going backwards. There's definitely a move towards early intervention. We know that with early treatment and early intervention, individuals are much less likely to experience catastrophic mental health issues."

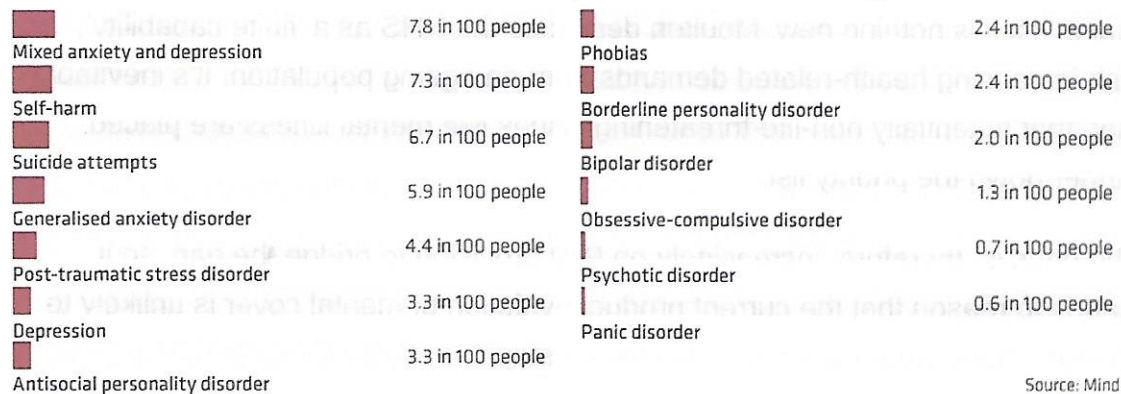
But for Alberts, early diagnosis is only as effective as the individual picking up the telephone, which is why the more barriers to treatment which are removed, the better the outcome. Direct access, for example, whereby the individual can refer themselves via their insurer rather than going through their GP, reflects the 'fundamental shift' in how insurers approach mental health.

Direct access plays a crucial role in helping individuals circumnavigate perceived stigma, particularly in the workplace. According to Mike Blake, wellbeing lead at Willis Towers Watson, despite the progress made in recent years towards mental health, employees are still at risk of suffering in silence.

In fact, the 2017/2018 Willis Towers Watson *Global Benefits Attitude Survey* shows that 45% of employees are uncomfortable disclosing stress and anxiety issues to their manager, while research last year by *Inclusive Employers* found that 61% of UK workers feel they keep an aspect of their lives hidden at work.

"By insurers offering mental health services directly, such as over-the-phone counselling, employees can anonymously and confidentially access mental health services that would otherwise be unused or underutilised," Blake explains.

Estimates of mental health problems in England



Yet there's more to PMI than just getting access to therapy, insists Melissa Collett, professional standards director at the Chartered Insurance Institute. PMI offers a holistic approach and looks at wider issues like [rehabilitation](#).

"Some insurers offer complementary therapies which aren't always available on the NHS," she says. "It's essential that the insurance profession is working to the best interests of its customers. Sometimes, this means providing access to complementary therapies, not just talking therapies and psychological interventions."

The move away from traditional insurance claims and towards the preventative and wellbeing space reflects a greater understanding in the market of mental health and its risk profile. Alberts cites insurers that are leading the way: Vitality, with a fully integrated health and wellbeing model, and Bupa, with a mental health promise that offers individuals ongoing support at every level, with no time limit to treatment and condition monitoring.

There's a general consensus among experts that condition monitoring is arguably one of the most crucial aspects of mental health cover, yet this is the area most likely to get missed. Roberts argues that PMI traditionally covers long-term and short-term care because it's relatively straightforward to treat either by medication, in-patient stays or fixed-length talking therapy sessions. And, as Mills points out, typical UK domestic policy is more focused on acute episodes rather than looking at the bigger picture.

"You have surgery on your left knee for an acute issue, then you have physiotherapy – boom, done. Typical domestic policy doesn't necessarily continue that through and think about the other knee that might need doing at some point," he says. "It's even more of an issue with mental health. You have an acute problem, the focus is getting the individual functioning to a certain

level, but who takes charge to ensure they maintain wellness? Who is going to take charge when they're back at work?"

Health impacts productivity and business results

Employees in poor health...



are almost **twice** as likely to be disengaged

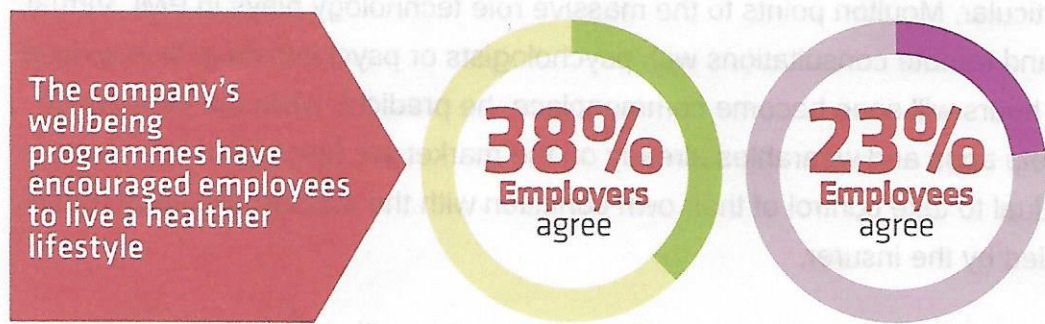


and have more than **three times** as many days off

...as those in very good health

Yet, programmes are failing to meet employees' needs

Employers are investing more in health and wellbeing but employees don't value their efforts



Gap in provision

This gap in provision, says Mills, can make the difference between receiving treatment for an acute condition and receiving ongoing treatment and monitoring that will reduce the likelihood of future relapses and, therefore, claims costs.

It's partly why insurers are understandably nervous about covering for mental health. Mental health, says Alberts, is seen by the market as a 'continuum' – it either gets worse or improves. It's this dynamic that makes it a 'greater unknown', particularly as people can, in theory, have an acute episode every month. "Therefore, there is real value in knowing whether a condition has deteriorated or improved, something ongoing monitoring can really help with."

Mills agrees: "Intermedium care is really important. This is what helps individuals back to work and stay in work."

Case management plays a huge role in this and insurers are leading the way in an end-to-end case management approach. Rather than leaving individuals to

navigate the system themselves, specialist nurses are in regular contact with the individual to monitor their progress and to organise more support if needed.

With more medical insurers offering case management as a key part of their service, along with direct access in place of GP referrals, Blake believes insurers will start to have 'greater control' over the types of treatment offered instead of passively funding it.

Indeed, Moulton believes that medical insurers are on a journey away from being traditional insurance players, with many starting to offer a much broader range of healthcare support services. "They're starting to play increasingly active roles in supporting individuals, whether through case management or direct access referrals," he says.

In particular, Moulton points to the massive role technology plays in PMI. Virtual GPs and remote consultations with psychologists or psychiatrists to fit in around office hours will soon become commonplace, he predicts, while the plethora of self-help apps and wearables already on the market are helping to empower the individual to take control of their own condition with the support of clinical nurses provided by the insurer.

Roberts meanwhile predicts that in the future, cover will also include medium-term, chronic issues, whereby individuals require support to stay in work. "There is a much better understanding these days of mental health issues," he explains. "So it's likely that in the future, the market will find a way to control costs and cover chronic issues that require ongoing monitoring."

Saunders agrees: "As more insurers look to offer mental health cover as standard, they will look for more ways of offering better cover to customers. Customers are already meeting insurers halfway by being more open about their condition and this allows insurers to respond in appropriate ways and offer treatment and support on an even greater scale than at the moment."

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