



The
Insurance Institute
Of Ireland

PROMOTING PROFESSIONALISM SINCE 1885

PMI D – PMI – PRODUCTS, CLAIMS, MARKETING & MARKET DEVELOPMENTS
SYLLABUS 2009

Objective: To develop in the candidate a sound knowledge and understanding of the the scope of the Private Medical Insurance products available in the Irish market and how these products are marketed. An understanding of the operation of general claims procedures and the ability to apply this knowledge to straightforward situations.

Method of assessment: A 2-hour examination that involves 6 short-answer questions, from a choice of 8 questions, carrying 10 marks each; and a choice of 2 from 4 longer essay-style questions each carrying 45 marks (total 150 marks). The pass mark for this module is 55%.

NOTES

- The syllabus will be based on Irish law and practice.

SECTION 1 – PRODUCT DESIGN

BENEFIT DESIGN

On completion, the candidate should be able to:

- 1.1 explain the minimum benefits necessary for Private Medical Insurance contracts in Ireland;
- 1.2 explain the core benefits of private medical insurance policies;
- 1.3 outline the limitations that apply;
- 1.4 explain the optional benefits, including those other than for medical treatment.

PMI PRODUCTS

On completion, the candidate should be able to:

- 1.5 explain the types of private medical insurance policy available within the:
 - Individual market;
 - Corporate / Company market; and
 - Voluntary group market sectors.
- 1.6 discuss the cover, additional benefits, exclusions and conditions of contracts for:
 - Private medical insurance;
 - Permanent health insurance;
 - Critical illness;
 - Healthcare cash plans.
- 1.7 explain the nature of covers available internationally, though not in Ireland:
 - Long-term care;
 - Major medical expenses.

DIVERSIFIED INSURANCE PRODUCTS OFFERED BY PMI PROVIDERS

On completion, the candidate should be able to:

- 1.8 state the main features of the following related products and ancillary services provided in the market:
 - International medical insurance for expatriates;
 - Overseas medical expenses;
 - Travel insurance;
 - Dental insurance;
 - Employee assistance programmes.

SECTION 2 – PREMIUM PAYMENT, HEALTHCARE EXPENSES AND TAXATION

PREMIUM PAYMENT AND TAXATION

On completion, the candidate should be able to:

- 2.1 explain the tax relief treatment for premium payment for:
 - private medical insurance;
 - permanent health insurance;
 - critical illness;
 - dental insurance;
 - health cash plans.
- 2.2 explain the treatment of employer-paid PMI premiums on the employer;
- 2.3 outline the effect of taxation of benefits-in-kind relating to healthcare insurance for employees;
- 2.4 state the effect of Tax Relief at Source (TRS) on private medical insurance premiums;

HEALTHCARE EXPENSES AND TAXATION

On completion, the candidate should be able to:

- 2.5 explain the tax relief available for healthcare medical expenditure;
- 2.6 explain the process of claiming tax relief on healthcare medical expenses.

SECTION 3 – MARKETING & ADVICE

PRE-ADVICE STAGE

On completion, the candidate should be able to:

- 3.1 outline the techniques employed in marketing private medical insurance business;
- 3.2 describe the distribution channels used for private medical insurance;
- 3.3 outline the role of insurer / provider relations and the link with product marketing;
- 3.4 explain the risks faced by consumers and know how to analyse information about their insurance needs in order to accurately identify appropriate solutions;
- 3.5 apply the Financial Regulator's Consumer Protection Code in providing client advice and service;
- 3.6 explain how customers search for cover, products, availability and price.

CUSTOMER COMMUNICATION

On completion, the candidate should be able to:

- 3.7 elicit the necessary information from consumers to be able to recommend the most appropriate product and ensure that the duty of disclosure is understood;
- 3.8 draft a reason-why statement for a consumer setting out in clear terms the reasons underlying any advice given to the consumer regarding a general insurance policy;
- 3.9 explain the need for and importance of the insurance documentation required by insurance organisations for the fulfilment of legal and regulatory requirements;
- 3.10 describe the documentation used in the PMI purchasing process.

MID-TERM POLICY AMENDMENTS

On completion, the candidate should be able to:

- 3.11 outline the reasons for amending policies;
- 3.12 describe the procedures for amending policies.

THE RENEWAL PROCESS

On completion, the candidate should be able to:

- 3.13 describe the key features of the renewal process.

DOCUMENTATION

On completion, the candidate should be able to:

- 3.14 describe the role and purpose of policy forms and booklets;
- 3.15 outline the use of standard and non-standard clauses and endorsements in policies;
- 3.16 outline the use of policy exceptions and conditions;
- 3.17 detail the exceptions and conditions typically found in health insurance contracts.

SECTION 4 – CLAIMS

PRINCIPLES AND PRACTICE

On completion, the candidate should be able to:

- 4.1 explain the relationships between product providers and hospitals / consultants;
- 4.2 describe the principles and practice of dealing with claims arising under PMI policies;
- 4.3 explain the pre-authorisation of claims;
- 4.4 explain the insurer / provider relations and the link to claims management (Managed Care);
- 4.5 explain different types of excess and how they are applied;
- 4.6 describe the claims practices relevant to PMI claims e.g. proportional liability;
- 4.7 discuss contribution and third party recoveries;
- 4.8 explain the application of pricing agreements with hospitals and consultants;
- 4.9 outline the use of Information Technology and its relevance to claims administration;
- 4.10 assess the nature and application of standard claim policy conditions for each benefit type, including exclusions;
- 4.11 describe the role and use of experts in PMI claim handling;
- 4.12 discuss the use and benefits of outsourcing in the PMI market in Ireland.

DECLINING CLAIMS

On completion, the candidate should be able to:

- 4.13 discuss the recommended procedures for declining claims and the implications thereof.

NON-DISCLOSURE

On completion, the candidate should be able to:

- 4.14 discuss the means of identifying non-disclosure in relation to a claim;
- 4.15 discuss the evidence required to investigate suspected non-disclosure.

FRAUD

On completion, the candidate should be able to:

- 4.16 explain how insurers seek to detect and reduce fraudulent claims;
- 4.17 discuss the methods for determining and responding to fraud.

SECTION 5 – DISPUTE RESOLUTION

On completion, the candidate should be able to:

- 5.1 describe the appeals process in relation to a claim;
- 5.2 discuss the use of contractual and other types of arbitration;
- 5.3 outline the role of the Irish Patients Association;
- 5.4 explain the role and procedures of the Financial Services Ombudsman.

SECTION 6 – REINSURANCE FOR PMI

On completion, the candidate should be able to:

- 6.1 outline what reinsurance is and explain why insurers use it;
- 6.2 describe the relevance of reinsurance to PMI insurance;
- 6.3 explain the impact of reinsurance on the Minimum Required Solvency Margin (MRSM);
- 6.4 describe the types of reinsurance available and their application to PMI;
- 6.5 discuss the importance of reinsurer stability;
- 6.6 list the legislation governing the regulation of reinsurance.

SECTION 7 – MARKET DEVELOPMENTS IN PRIVATE HEALTHCARE

- 7.1 explain the current situation regarding Risk Equalisation and its impact on the market.