

INNOVATION AND PRODUCT DEVELOPMENT IS KEY IN 2012 HCP MARKET – ACCORDING TO INTERMEDIARIES

Innovation and product development will be key to success in 2012, according to a survey of healthcare intermediaries.

The research – carried out amongst 1000 specialist brokers – has revealed that 98 per cent of respondents believe that innovation and an appetite to continually develop products in line with market forces are important factors for health cash plan providers.

Respondents of the survey – commissioned by award-winning corporate health cash plan provider, Health Shield – also admitted that greater support, including more training on health cash plans (HCPs) and increased day-to-day sales contact, would help improve sales conversions (86 per cent).

An overwhelming 89 per cent said that their health cash plan portfolio had increased in 2010/2011 – which further supports the findings from Laing & Buisson’s annual Health Cover UK Market Report. According to the report from the market intelligence provider, the total number of company-paid contributors rose by 11.2 per cent in 2010 – growing by an estimated 93 per cent between 2007 and 2010.

Philip Wood is executive director of sales and marketing at Health Shield, which currently covers 20 per cent of the company-paid market. He commented: “The survey results come as little surprise, but cement the importance of remaining focused on product development to meet the exact needs of our members and clients.

“At Health Shield, we constantly strive to meet our members’ needs by providing innovative and flexible solutions. As a non-profit making society, intermediaries have a vital role to play as we constantly assess and adapt to the changing landscape.”

The survey also revealed a disparity in attitude amongst the intermediary market, with brokers split on the issues of commission and price versus product range. 58 per cent of those surveyed admitted that commission levels are not a major factor in choosing a health cash plan provider

for a client, while 52 per cent agreed that price is more important to corporate clients than product choice when choosing a health cash plan.

Wood added: “Health Shield has continued to enhance its product portfolio to enable intermediaries to recommend the introduction of a health cash plan on a company-sponsored, flexible benefits or voluntary corporate basis.

“To keep the offering clear, all the schemes offer 100 per cent cashback, up to chosen annual limits, for every benefit and at all levels – Health Shield is the only health cash plan provider to offer this.”

Health Shield, which has continued to grow in the corporate health cash plan market in 2011, has further increased its company group numbers and now offers cover to 140,000 members across the UK. It has improved its market share, as earned premiums continue to increase through growth in the company-paid sector.

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