



# Bupa Fundamental Health Insurance (BFHI)

## Target market statement

Bupa Insurance Limited have prepared this document to provide an overview of its insurance product. It is intended to help distributors understand the target market and distribution strategy for this product, at point of sale. In addition, distributors should consider whether any changes in a customer's circumstances may result in some features of the product no longer being suitable (for example: dual cover, group size, distribution channel, features and benefits, communication methods or payment method).

### Characteristics of target market

BFHI is designed to provide Private Medical Insurance cover for consumer customers who are resident in the UK (Great Britain, Northern Ireland, Channel Islands, Isle of Man).

The product's design intends to meet the needs of a cross section of customers and would therefore appeal to a target market who:

- are UK customers aged 18+, registered with a GP, who have a need to cover the cost of private healthcare, their child dependant(s), and existing customers who want to maintain their cover. There is no upper age limit,
- have been resident in the UK for at least six months
- have been registered continuously with a UK GP for a period of at least six months or have access to their medical record in English
- in the case of child dependants be up to 20 years of age or up to and including 23 years of age and in full time education at the point of their enrolment.

BFHI is designed for customers who are more price sensitive and are comfortable with limited PMI benefits for a lower cost, as long as they have a good level of inpatient and the option of including cancer cover.

### Objectives, needs and interests of target market

- ✓ BFHI is designed to meet the needs of those customers who are seeking cover for the costs of planned private treatment, for themselves and any dependants they wish to include and access to wider wellbeing benefits.
- ✓ BFHI was created to address intermediary feedback and provide a cheaper alternative to BBY.
- ✓ It is intended to be supplementary to the NHS and not a direct replacement of NHS services.
- ✓ Policies are priced at an individual life level.
- ✓ Offers a choice of underwriting options.
- ✓ Customers have the option to select whether they wish to include cover for cancer and have a choice of hospital networks depending on where they wish to be treated and whether they wish to be guided.
- ✓ Customers want the option be able to access Bupa through their channel of choice for example My Bupa.

### Customers for whom the product would not provide the intended value

- ✗ Customers resident outside the UK or seeking treatment outside the UK.
- ✗ Customers seeking immediate cover for pre-existing medical conditions.
- ✗ Customers seeking cover for chronic conditions for example diabetes, arthritis or monitoring of heart disease.
- ✗ Customers seeking cover for cosmetic surgery.
- ✗ Where cover is required to include accident and emergency admissions or attending an urgent care centre or walk-in clinic.
- ✗ Customers who receive payment for taking part in sports.
- ✗ Those seeking cover for mental health conditions.
- ✗ Customers who have cover with an alternative insurer or company scheme.

### What is the distribution strategy and is it appropriate for the target market?

BFHI is no longer on sale to new business and is open to renewing business only. It is planned to move these customers to BBY. BFHI is designed to meet the needs of those customers who are seeking cover for the costs of planned private treatment, for themselves and any dependants they wish to include and access to wider wellbeing benefits. BFHI was originally sold via a network of intermediary partners.

Bupa's distribution strategy is considered appropriate for the target market with products available:

- via BISL (non-advised) through appropriately skilled agents to equip customers with all the information they need to make an informed renewal purchase decision
- via a network of intermediary partners (advised and non-advised), through appropriately trained third party distributors equipped with all the information that they need (target market statement, product information etc.) to recommend Bupa products where appropriate.