

## Health Cash Plans - UK - October 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

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“Health cash plans themselves are, generally, high quality and good value for money. Mintel’s data suggest that it is consumer perceptions that are holding back sales. The low price point and nature of HCP benefits have a strong appeal. If insurers can communicate these advantages, the market should enter a stronger period of growth.”

– Rich Shepherd, Research Analyst – Financial Services

### This report looks at the following areas:

- Insurers have got prices right but are failing to get the message across
- Covering prescriptions can help define HCPs position in the market

The health cash plan (HCP) market has experienced a difficult period in the last decade. The number of plans sold, the number of people covered by HCPs, and the value of premiums have all fallen since the start of the recession. In 2013, however, the market returned to modest growth in volume terms, and recorded the second successive annual growth by value as consumers started to feel the first benefits of the economic recovery.

Health cash plan providers are currently operating at near-record margins due to falling claims costs in recent years. However, because of squeezed budgets and the resistance of many consumers to return to pre-recession spending habits, insurers are struggling to return ownership of HCPs to the kind of numbers seen in the 1990s.

This report examines the HCP market as a whole. It looks at the main internal and external market drivers affecting HCP providers. The report includes an analysis of the market size, with a forecast for the next five years, and discusses the main market players. There is a discussion of recent market innovations, a SWOT analysis, and analysis of the channels to market, including the role of intermediaries. Finally the report includes Mintel’s exclusive consumer research. This starts by looking at ownership of health insurance policies, and other means of paying for medical costs. The research then looks at the ways people researched their HCPs, why people don’t have an HCP, and which features consumers would like to see included in plans. The report also examines the usage of routine and non-routine medical services.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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