

Five things we learnt from the Health Claims Report 2024

With the rapidly changing healthcare landscape we've seen over the last few years and the implications for health insurance products and advice, here are the main takeaways we've learnt from the latest Vitality health claims data.

It's clear that healthcare demand is showing no signs of slowing **amid worsening rates of population health and wellbeing**.

We've seen how **private medical insurance (PMI)** products are continuing to evolve against this backdrop, delivering a broader range of services, from **preventative** and **everyday care** to seamless treatment and recovery pathways.

Drawing on the latest data and findings, here are five things we learnt from the **Vitality Health Claims Insights Report 2024**.

1. Health insurance has entered a new era

Unprecedented demand combined with shifting consumer expectations and perceptions are transforming the way we are delivering health insurance.

It's no longer enough for PMI plans to merely cover the costs of **private hospital treatment** when a major illness arises. Instead, consumers now expect a broader range of services, offering end-to-end healthcare through a **technology-driven experience**.

Vitality research found that 75% of UK health insurance customers believe insurers should support them to improve their health outside of making a claim¹, through an expanding range of everyday prevention and care services.

There's also now a greater expectation from consumers that PMI is something they'll use and benefit from on a more regular basis, unlocking immediate value from their plans.

Since 2019, Vitality has seen a 45% increase in the proportion of members making a claim² and further research tells us that last year 73% of PMI customers reported using their plan, rising to as high as 86% amongst 18 to 24-year-olds¹.

This means that the role Vitality is playing as an insurer is now very different to a traditional PMI provider. It's also meant we have needed to **find new ways of managing demand** and lay the foundations for a more sustainable industry.

2. Making people healthier through PMI is possible

With the nation's overall health in decline and rising numbers of people living with preventable, lifestyle-related diseases³, it's clear we need to do more to address the growing burden of ill-health in the UK.

We've seen first-hand that making people healthier through PMI is possible, by incentivising positive lifestyle choices and **embedding prevention at every stage of the healthcare journey**.

Through engagement in the **Vitality Programme** members made significant improvements to their health and wellbeing.

In 2023, Vitality members recorded 992bn steps, underwent over 600,000 health reviews and enjoyed 1.4m mindfulness sessions. As a result, we have seen a 13% increase in physical activity and a 20% improvement in diet. On average, our most highly active members can expect to increase their life expectancy by up to five years².

Engaged members also see significant decreases in claims costs. Those achieving Platinum Status on average generated 28% lower claims costs compared to Bronze members².

Intervening earlier is also key and through services such as **health reviews and screenings** we see the benefits of helping people to understand their health and take appropriate action.

Measures such as Vitality Next Best Action are also delivering remarkable results, with members offered personalised health support for lifestyle risks such as obesity and smoking. Over half of those on a weight management pathway reached a target weight loss of 4%, whilst 47% of those in a quit smoking pathway were able to give up².

And finally, if someone does fall ill, holistic wellbeing support during and after treatment can improve healthcare outcomes in a clinical setting. Those who enrolled in our Cancer Support Programme, introduced in 2022, reported 32% reduced levels of stress and anxiety, increased their physical activity (step counts) by 30% and saw 12% improvement in quality of life while going through treatment².

3. Products have needed to respond to everyday care demand

Alongside the traditional role of providing access to private hospital treatment, the provision of more everyday healthcare benefits, including primary care, is of increasing value to consumers, particularly at a time when access to these essential services is limited.

Since 2019, claim rates for everyday care services - **Vitality GP**, Physiotherapy, **Talking Therapies** and **Optical, dental and hearing** - have

increased by 83%, meaning more people than ever are now using their cover on a regular basis².

Integrating these primary care services into the wider care journey is essential for managing demand and directing patients to the right care pathway based on their needs.

For members seeing a Vitality GP, more than half of care requests can be managed in an everyday care environment, which is helping to lower secondary care claims and offer greater healthcare sustainability².

For example, Talking Therapies usage saw a 179% increase in claims since 2019, whereas in-patient mental health claims have decreased in that period by 69%, **showing that earlier intervention is helping to reduce the need for more severe treatment over the long-term**².

4. Technology is transforming the claims journey

With digitally led solutions now the norm, increasingly consumers expect to be able to easily access services on demand and in their own time, through apps and other digital platforms. We've seen this carry over into a healthcare setting, where quick and easy access to care was cited recently as a top priority for consumers.

Through **Vitality Care Hub**, members can start a claim and receive instant authorisation, with 64% of claims now originating online. They can then search and immediately book onward consultations, accessing over 5,000 consultants, whose calendars are embedded in the platform².

By embracing digital solutions and leveraging technology, PMI plans are now able to offer a more seamless, end-to-end care journey to help manage increasing demand.

5. Sophisticated use of consultant data is improving care outcomes

By directing members to high-performing consultants, through a data-led approach to consultant quality, PMI plans are proving to deliver improved patient outcomes.

Vitality's Premier Consultants are assessed on more than 500 data points, including both claim data and external data-sources, such as the GMC register, NICE guidelines and The National Joint Registry².

From the performance data, gathered since 2021, we see that for patients referred to a Premier Consultant there is 27% reduction in the risk of hospital readmission, a 9% reduction in hospital length of stay and 14% reduction in claim costs².

This, combined with the various other themes explored in the Health Claims Insights Report, is helping us to drive greater operational efficiencies through

these seamless pathways in line with changing customer expectations, to deliver better experiences and more effective forms of care in the most cost-effective way possible, to better support the health of our members.

Read our 2024 Vitality Health Claims Insights Report to find out how Vitality are investing in prevention, everyday care and the latest data and technology, to improve health outcomes for your clients and ensure the sustainability of the healthcare system:

[Download the report](#)

A version of this article appeared on Insights Hub.