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FIPO GUIDELINES ON THE FINANCIAL SERVICES AND MARKETS ACT TO CONSULTANTS TREATING MEDICALLY INSURED PATIENTS

FSR REGULATION AND FINANCIAL ADVICE TO PRIVATE PATIENTS

Private medical consultants may, on occasions, be asked to discuss matters relating to a patient's medical insurance policy. All consultants should be aware of what they may and may not say in this situation.

The Financial Services Authority (FSA) regulates a number of aspects governing all insurance policies, including Private Medical Insurance (PMI). The following activities requires authorisation from the FSA;

- Giving advice in relation to any insurance products.
- Assisting in the administration of insurance claims.

If consultants carry out any of these regulated activities by way of business and without authorisation from the FSA, this would be an offence.

Whilst consultants may be able to benefit from some specific exemptions, care must be taken not to infringe the law. Below are some guidelines to help demonstrate what information can and cannot be given to patients when dealing with these issues.

GUIDELINES

PRE-AUTHORISATION OF TREATMENT

At the pre-authorisation stage, it may be necessary for a patient or potential patient to check whether their possible visit and treatment would be covered by their PMI policy.

DO

- ✓ A consultant can advise a person whether their policy will cover them for a consultation or initial treatment.
- ✓ A consultant can explain which PMI providers have given him (her) authorisation to treat their subscribers.
- ✓ A consultant can advise a person to obtain the necessary checks and pre-authorisations directly from their PMI provider before providing any services or treatments.
- ✓ A consultant is also entitled to explain to patients what his (her) normal charges would be outside the PMI policy.

DO NOT

- ✗ A consultant should not provide advice on the merits of one insurance policy over another.
- ✗ A consultant should not advise a patient to switch insurance policies or to switch their PMI providers. This type of advice risks being regulated financial advice. It is simply best not to discuss the issues and recommend that the patient researches the available PMI policies themselves.

THE CONSULTATION

During the consultation a consultant may discuss with the patient what their PMI may provide for in relation to what treatments are available to the patient and what is covered by their PMI policy.

DO

- ✓ A consultant can advise a patient on:
 - What treatments are possible.
 - What treatments are covered/available under their PMI policy.
- ✓ A consultant can explain to the patient the issue of any “top-up fees” if the PMI policy does not cover the entire cost of the treatment.

MAKING AN INSURANCE CLAIM AFTER TREATMENT HAS FINISHED

Once a patient has completed their treatment all consultants need to be careful when assisting patients to make their insurance claims. “Assisting in the administration and performance of a contract of insurance”, is a regulated activity, if it is done “by way of business”.

DO

- ✓ A consultant can provide a bill or invoice to the customer setting out the charges for the consultation and treatment.
- ✓ A consultant can set out the PMI providers’ procedure codes for the consultation and treatment.
- ✓ Provided there is no breach of patient confidentiality, a consultant may also provide copies of any invoice and procedure codes to the PMI provider.
- ✓ A consultant may offer assistance to a patient in explaining any aspects of the claim form related to the procedure, for example any medical terminology, or the relevant procedure codes.
- ✓ A consultant may assist a patient in completing a form, provided there is no extra charge made for this.
- ✓ A consultant must charge patients the same amount for the treatment and consultation, whether or not he (she) has assisted them with their PMI claim forms.
- ✓ A consultant may complete any forms or questionnaires that the PMI provider has sent in directly, e.g. for the consultant to complete as part of their processing and checking of the claim.

DO NOT

- ✗ A consultant must not charge a patient extra for assisting them to complete a claim form (this includes any charge for the time spent assisting with or completing the form).

If a consultant does offer a service to patients to assist them with their PMI claims, and charges for this service, this would be a regulated activity that requires authorisation from the FSA.

If a consultant thinks that a patient has been miss-sold a policy or has misunderstood the terms of the policy, he (she) should recommend that they consult either their financial adviser, the person who sold them the policy or their PMI provider. A consultant should not provide direct advice or assistance in relation to these products.

If any consultant is concerned about any of the activities that he (she) might get involved in, we would recommend they obtain specific advice.

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