

## Our guide to underwriting

### What is underwriting?

Any person could not expect to insure their house if the roof had just fallen through. Similarly private medical insurance will not cover any conditions that are already existing or known about. This does not mean that insurance is not offered, just that already existing conditions will generally be excluded. Only unforeseen medical conditions can be covered. To administer this, the insurance companies use one of the following:

### Full medical underwriting

This is the most common form of risk management used by private medical insurance providers. Newly insured individuals answer a set of questions about their medical history. The actual questions vary from company to company. The objective is to reveal any treatment which *is being received or waited for*. This will then be excluded from the cover so that the insurer will not have to immediately pay claims, which will impact on the overall claims fund. Treatment which *has been received* from a GP, or a consultant in the past will generally be excluded although dependant on the condition an exclusion may not be added.

### Moratorium

This type of underwriting excludes all previous conditions for a continuous period of (usually) 2 years. If during the 2 years no treatment or advice is sought about the condition, nor symptoms suffered, it should then be included in the cover. The moratorium is rolling and if advice or treatment is sought then the 2 year moratorium period will start again from the date of the symptoms, advice or treatment.

The exact term of a moratorium can vary from insurer to insurer and a full disclosure of the insurers moratorium should be obtained.

*The above information does not constitute part of any contract nor should it be relied upon as specific advice.*

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