



Nick Telfer: Putting prevention into IP

With more reasons than ever to talk about Income Protection with clients, it's becoming increasingly difficult to ignore it, writes Vitality's Nick Telfer.

The notion that [Income Protection Cover](#) should be prioritised within a client's hierarchy of protection needs is nothing new. But with figures earlier in the year highlighting record numbers of Britons off work due to long-term sickness¹, it's more important than ever that the value of income protection is recognised.

Even before an IP claim is made though, there's a role that an insurers can play – with the support of advisers – in helping to prevent the client from falling ill in the first place. We know that lifestyle factors account for an overwhelming cause of preventable illness in the UK², making it imperative that we help clients live healthier, happier lives.

A quarter of our IP claims were for musculoskeletal and 21% were for mental health in 2021³, which suggests the connection between avoiding a sedentary lifestyle and taking a holistic approach to wellbeing with the help of an IP plan is no small thing.

By actively encouraging clients to move more, eat better and take part in activities that are good for their mental and physical health not only do they have the security of cover should a claim arise, but they are less likely to need to make one.

Through our unique Shared Value model we can also give back to clients when they do take steps to look after themselves. For example, our new Vitality Income Boost pays out up to 20% extra for the first six months of a claim, based on the clients Vitality status at point of claim.

We can deliver rewards and benefits to clients in other ways as well. Members that reached Platinum, the highest Vitality status, saved on average 62% of their annual insurance premium last year, whilst Bronze members saving a quarter on average⁴, thanks to the [Vitality Programme](#) and its many [rewards and partners](#), such as discounted gym memberships, activity trackers and healthy food purchases.

Tangible value

Given the current economic situation, the need for building client financial resilience is only going to increase. With budgets tightening though, [so to is the need to deliver tangible value from day one](#)– long before a claim is made.

¹ [Record number of workers on long-term sickness ahead of Hunt's 'back-to-work' Budget | The Independent](#)

² *Global Burden of Disease database; Williamson, E., Walker, A. J., Bhaskaran, K. J., Bacon, S., Bates, C., Morton, C. E., ... & Cockburn, J. (2020)*

³ *VitalityLife Claims and Benefits Report, 2022*

⁴ *VitalityLife Claims and Benefits Report, 2022*



There's also the simple fact that a highly engaged client is three times less likely to lapse or cancel their plan⁵, at a time when most people are watching what they're spending right now. This is no doubt welcome knowledge to an adviser looking to keep business on the books during what may prove to be precarious time economically.

Unique cover benefits

Of course, preventing claims is not the only preventative benefit that IP can bring. Supporting a client to return to good health and prevent further illness is also key. It's why we've introduced new a new enhanced Recovery Benefit, powered by VitalityHealth's clinical capabilities, to provide private healthcare support for the most common causes of claim.

The plan itself is also there to prevent clients from facing financial hardship should an illness or injury arise. As part of this, we believe that cover amount certainty is tantamount.

Our enhanced Earnings Guarantee automatically secures £1,500 minimum monthly cover amount (and £3,000 for doctors or surgeons), regardless of future changes to salary. Uniquely, clients can also verify their earnings at the time of applying, to guarantee 100% of their benefit amount, up to £8,000 per month. This way clients can be sure that they are covered at the point of claim even if their professional situation has changed.

Add to this a range of other features, including the opportunity to flex plans to individual circumstances through more sophisticated Guaranteed Insurability Options (GIOs), and you've covered all bases – from prevention through to guaranteed claim amount and return to work support too. If we can all agree that IP should be prioritised, as it continues to evolve, isn't it more the case that it simply can no longer be ignored?

⁵ VitalityLife Claims and Benefits Report 2022