

Mental health is a key priority in the current climate



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Mental health issues in the UK are more common than you might think, with one in four of us affected at any one time.¹

In recent years there's been great progress in bringing a focus on mental health wellbeing into everyday lives, driven by charities such as Mental Health UK who have championed the need to have better understanding of mental health issues and helping people recognise the mental health indicators in themselves and others.

The global pandemic has impacted on the nation's mental health. An August 2020 ONS survey² found there's been an increase in UK levels of mental distress during this year.

Almost one in five adults (19.2%) were likely to be experiencing some form of depression and this has doubled from 1 in 10 pre-pandemic.

In England, the Centre for Mental Health has predicted that up to 10 million people – almost a fifth of the population – will need mental health support as a direct consequence of Covid-19, with 1.5 million of those expected to be children and young people under 18.³

It's clear that a lot of people who require assistance will find it a struggle to get the treatments needed in a timescale that will help them.

If a doctor refers a patient for talking therapy, such as cognitive behavioural therapy (CBT), the average wait is 12 weeks for a first face-to-face assessment, with a further wait of up to 12 weeks for treatment. That's a long time without the help and support that might be needed.

Advisers can help customers understand that there are inexpensive alternatives to mental health support through new or even existing insurance policies.

Many life insurance and critical illness providers offer a range of added value health care services attached to their policies. These services are often available through the life of the policy not just at claim stage.

Services available are not just mental health, cancer care and medical screenings. Some policies can give nutrition and sleep advice too either through 121 counselling or the provision of a wellbeing app.

Informing customers about these services is a great way to help clients, but there are also simple steps firms can take to help make things easier when it comes to mental health.

Train staff to be empathetic to customers with mental health issues. Ensure that all staff taking customers through applications over the phone and/or face to face understand mental health issues and have the skills to have a conversation on them.

- Consider the language used. Provide a warning when you're about to ask questions related to mental health and wellbeing, especially where the questions relate to self-harm and suicide.
- Explain why you are asking questions and what you will do with the information. As part of your vulnerable customer protocols, include a signpost to mental health support should someone feel distressed during or after the application.

Mental health is not a blocker to getting insurance, but it's important that customers are open with advisers about their history.

Whilst one in four people are likely to experience a mental health problem, the mental illness disclosure rate at Scottish Widows currently sits at only 14%. People are concerned that disclosing a mental health condition will prevent them from getting cover or that they'll see an increase to the premiums.

However this is not the case...

In reality 85% of mental health disclosures will result in standard rates being offered at point of sale, with a 95% overall acceptance for life cover.⁴

Mental Health UK has recently researched the experiences of people with mental health issues who have applied for protection cover and found:⁵

86% of people affected by mental illness said they do not know where to go for independent advice on different types of insurance that may involve declaring a mental health condition.

- Over two-thirds of respondents (68%) believe they were unfairly discriminated against because of their mental health.
- Nearly half of respondents (45%) said the process of applying for insurance left them feeling distressed.

So there's a big opportunity for insurance providers as well as adviser firms to help make things easier for customers. At Lloyds Banking Group our partnership with Mental Health UK puts us in a unique position to really understand the issues facing customers when applying for protection cover and how to make their application journey as smooth as possible.

Being more open about mental health, understanding individuals' mental health needs and signposting services available can really show an adviser's worth to their clients.

Further Support
Mind Tips for Everyday living
NHS Every mind matters

¹ <https://www.mind.org.uk/information-support/types-of-mental-health-problems/statistics-and-facts-about-mental-health/how-common-are-mental-health-problems/#References>

² <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/coronavirusanddepressioninadultsgreatbritain/june2020>

³ <https://www.centreformentalhealth.org.uk/publications/covid-19-and-nations-mental-health-october-2020>

⁴ Scottish Widows underwriting stats 2020

⁵ <https://mentalhealth-uk.org/blog/insurance-industry-cant-afford-to-discriminate-against-people-living-with-mental-illness/>