

# Helpsheet

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## Group Private Medical Insurance

**Group Private Medical Insurance (GPMI) is established on the lives of employees by their employer. The purpose of GPMI is to fund medical treatment without delay and at the members' convenience.**

Whilst the National Health Service provides well for acute and life threatening conditions, there can often be a long delay waiting for treatment for non life threatening conditions.

Policies vary greatly and it is very important to ensure when comparing one scheme with another that the comparison is undertaken on a like for like basis.

Premiums also vary greatly. It is possible to reduce premiums by agreeing to a policy excess of, for example, the first £100 or £200 of any claim.

Contributions are a deductible expense for corporation tax purposes, however they are also considered to be a benefit in kind in the hands of the employee. This means that the contribution is considered to be additional salary and taxed accordingly at the individual's highest rate of income tax. Any claims are paid free of all taxes.

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