

INSURANCE IMPLICATIONS OF A NO-DEAL BREXIT



1

Motor insurance



Currently, motorists insured in any EU member state can drive their vehicle in any other EU member state. At this stage, no agreement has been reached between the EU and the UK to continue this arrangement.

If there is a no-deal Brexit: Motorists insured in the UK driving their vehicle in the EU and motorists insured in the EU driving their vehicle in the UK may need to buy additional cover and may also need to carry a Green Card (an international certificate proving that a motorist has the necessary third-party motor insurance).

Checklist:

- Both UK and EU motorists should check with their insurance provider whether they are covered by their existing insurance policies and whether they need a Green Card.
- If a Green Card is needed, EU and UK motorists can request one from their insurance provider (potentially for a small administrative fee). Such a request should be made in advance of any planned trip to allow sufficient time for it to be processed.



2

Health insurance



Currently, EU residents travelling within the EU can request a European Health Insurance Card (EHIC) from their home country. This gives them access to state-provided healthcare across the EU under the same conditions as local residents. At this stage, no agreement has been reached between the EU and the UK to continue this arrangement.

If there is a no-deal Brexit: EU-issued EHIC cards will not be officially recognised by the UK for EU travellers or vice-versa. As a result, travellers without adequate insurance cover could have to pay the full cost of any health services needed while travelling.

Checklist:

- EU residents planning to travel in the UK and UK residents planning to travel to the EU after Brexit are advised to ensure they have adequate travel or health insurance to cover any health services needed while travelling.
- Those with existing travel policies should contact their insurance provider before travelling to make sure they include the necessary level of cover.
- EU residents with private healthcare policies that cover care abroad will not be affected. Both EU and UK residents with private healthcare policies should check with their insurer.



3

Travel insurance



Existing travel insurance policies typically cover travel within certain regions such as the EU, the European Economic Area (EEA), North America or the rest of the world. In view of this, additional region-specific insurance policies may need to be purchased post-Brexit.

If there is a no-deal Brexit: The UK will no longer be part of the EU or the EEA and EU travellers with EU or EEA region policies may no longer be covered. Travellers from the UK to the EU should still be covered by EU or EEA region policies (with the possible exception of medical expenses covered by the EHIC, as set out above).



Checklist:

- EU travellers to the UK should check that their policies cover the UK before they travel. Travellers should also be aware that there are certain differences in travel insurance policies between member states.
- Both EU and UK travellers are advised to check their policies and to contact their insurance provider before travelling to make sure they know what they are covered for.

4

Additional general advice on insurance policies



Under EU rules, many insurance products can be bought by residents in one EU member state from an insurer based in another EU member state. If there is a no-deal Brexit, it is possible that existing insurance policies will no longer be considered as valid and there could be problems with services such as making a claim. In most cases, insurance companies have taken steps to ensure that customers are protected and have informed them of the action taken. Where this has not been possible, the majority of EU member states, including the UK, have made changes to their local laws to ensure that existing policies can be maintained. However, the steps taken at national level vary and some countries have not yet put any measures in place.



Checklist:

- UK residents who have bought a policy from an EU insurance provider should not be affected because of the steps taken by the UK government to ensure the continuity of existing policies.
- EU residents who have bought a policy from a UK insurance provider should check with them whether they are still covered because not all EU member states have taken steps to ensure policy continuity.
- Customers who are not sure where their insurance provider is based should contact them to ensure they will still be covered if there is a no-deal Brexit.

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Further information and advice can be found online for the EU27¹ and for the UK².

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1. https://ec.europa.eu/info/brexit/brexit-preparedness/national-brexit-information-member-states_en#belgium
2. <https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>