University of Malta

SPORTS AND THE INSURANCE MARKET IN MALTA

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submitted in partial fulfilment of the requirements for the Degree of Bachelor
of Commerce (Honours) in Insurance at the University of Malta

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Statement of Authenticity

I, Denise Farrugia, declare that all the statements and material contained in this dissertation titled ‘Sports and the Insurance Market in Malta’ are entirely my own personal knowledge and research. Any parts of the dissertation that are not the results of my own work have been acknowledged accordingly, where quotations and work published by others are clearly stated with a source given.

_______________________________
Denise Farrugia 154990(M)
Abstract

This study aims to analyse the current state of the sports insurance market in Malta. Does the existence of this niche market in the insurance industry have potential for growth?

Sports clubs and associations are the primary source at which to launch the investigation, in order to identify the need from the interested parties. The availability of such a specialised sports insurance product will cater for a variety of competitive sports. Whether it's a football club or a family going on a skiing holiday, specialised sports insurance provides appropriate medical aid and personal accident benefits to suit the specific needs of the consumer.

This study will identify the main insurable hazards related to sports activities. A sports insurance policy may be for personal accident, liability and property. These will be designed for sports people as well as the environment in which they operate, meaning athletes, coaches, teams, facilities, equipment and third parties visiting the sports premises.

Currently in the local market, the above may be insured under separate policies offered by general insurance companies. Furthermore, injuries and liability resulting from sports activities are normally excluded under a heading ‘Hazardous Activities’ in general insurance policies, such as a Personal Accident policy. The aim is to utilize the prospect of the niche market, by developing one specialised product that caters for all sporting risks. Ultimately, this allows a general insurer to expand its business, while further developing credibility in the market.
To My Parents
Acknowledgements

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# Table of Contents

Statement of Authenticity ........................................................................................................ ii  
Abstract ........................................................................................................................................ iii  
Acknowledgements ....................................................................................................................... v  
Table of Contents ........................................................................................................................ vi  
List of Tables .................................................................................................................................. ix  
List of Figures ................................................................................................................................. x  
List of Abbreviations ...................................................................................................................... xi  
List of Appendices ......................................................................................................................... xii

## CHAPTER 1: INTRODUCTION  
An Introduction to Risk and the Sports Industry in Malta ................................................... 1  
1.1 Introduction ............................................................................................................................ 2  
1.2 Problem Statement .................................................................................................................. 2  
1.3 Aims and Objectives ............................................................................................................... 3  
1.4 Interested Parties ..................................................................................................................... 4  
1.5 Limitations to Research ........................................................................................................ 5  
1.6 Chapter Outline ....................................................................................................................... 6

## CHAPTER 2: LITERATURE REVIEW  
Preliminary findings regarding regulation of sports in Malta, sports injury and  
specialised sports insurance policies ....................................................................................... 7  
2.1 Introduction ............................................................................................................................ 8  
2.2 Sports Regulation in Malta .................................................................................................... 8  
  2.2.1 Kunsill Malti għall-Isport (KMS) ................................................................................... 8  
  2.2.2 Maltese Olympic Committee (MOC) .............................................................................. 10  
2.3 Sports Injuries ....................................................................................................................... 11  
2.4 Types of Cover ......................................................................................................................... 11  
  

vi
2.5 High Risk Sports ........................................................................................................... 13
2.6 Targeting a Niche Market ............................................................................................ 15
2.7 Conclusion .................................................................................................................... 17

CHAPTER 3: RESEARCH METHODOLOGY
Justifying the methods of research along with a discussion of the analysis employed to reach the desired outcomes ............................................................................................................. 18

3.1 Introduction ................................................................................................................... 19
3.2 Achieving Aims and Objectives .................................................................................... 19
3.3 Justifying the Method of Research ............................................................................... 19
3.4 Review of Data Collected: ............................................................................................ 20
   3.4.1 Primary Data: ........................................................................................................ 20
   3.4.2 Secondary Data: ..................................................................................................... 21
3.5 Methods of Analysis ..................................................................................................... 21
   3.5.1 Qualitative Method .............................................................................................. 22
   3.5.2 Quantitative Method .......................................................................................... 23
3.6 Triangulation ................................................................................................................. 23
3.7 Limitations to Method Employed .................................................................................. 23
3.8 Ethical Considerations .................................................................................................. 24
3.9 Conclusion .................................................................................................................... 25

CHAPTER 4: ANALYSIS AND RESULTS
Analysis of results from interviews conducted and the culture of insurance among different sports associations ......................................................................................................................... 26

4.1 Introduction ................................................................................................................... 27
4.2 Findings and implications ............................................................................................. 27
   4.2.1 Allcare Insurance Limited .................................................................................... 27
   4.2.2 Malta Football Association .................................................................................. 29
   4.2.3 Malta Rugby Football Union ............................................................................... 32
## CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

Concluding remarks regarding the culture of insurance among the local sports industry and recommendations for future growth

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Introduction</td>
<td>40</td>
</tr>
<tr>
<td>5.2 Impact</td>
<td>40</td>
</tr>
<tr>
<td>5.3 Future Prospects</td>
<td>41</td>
</tr>
<tr>
<td>5.4 Recommendations</td>
<td>42</td>
</tr>
<tr>
<td>5.5 Concluding Remarks</td>
<td>42</td>
</tr>
</tbody>
</table>

References

Appendix I – Interview Guide for Insurance Company

Appendix II – Interview Guide for Sports Association/Union/Federation

Appendix III – Draft Consent Form for Interviewees

Appendix IV – The MFA Clinic Cover Scheme Circular 2012-13

Appendix V – Transcribed Interview with the MRFU General Secretary

Appendix VI – Transcribed Interview with the MFA Treasurer

Appendix VII – UREC Confirmation E-mail
List of Tables

Table 1: Sports activities categorised by level of risk ............................................................... 12
## List of Figures

Figure 1: Hierarchal representation of the local Sports Industry ........................................... 9  
Figure 2: Fatal sports injuries by type of sports (excluding swimming) and age group .......... 14  
Figure 3: Estimated number of clients covered by the Sports Protection Plan ...................... 29  
Figure 4: Subscription fees for the Clinic Cover Scheme for Season 2012/2013 .................. 31  
Figure 5: Sports Associations: Availability of in-house medic during games ..................... 36  
Figure 6: Sports Clubs Insurance Cover .................................................................................. 37
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>KMS</td>
<td>Kunsill Malti għall-Isport</td>
</tr>
<tr>
<td>MOC</td>
<td>Maltese Olympic Committee</td>
</tr>
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<td>MRFU</td>
<td>Malta Rugby Football Union</td>
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<tr>
<td>MFA</td>
<td>Malta Football Association</td>
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<td>ASA</td>
<td>Aquatic Sports Association</td>
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<td>MKF</td>
<td>Malta Karate Federation</td>
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<td>MBA</td>
<td>Malta Basketball Association</td>
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<td>MSI</td>
<td>Middlesea Insurance plc.</td>
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<td>UREC</td>
<td>University Research Ethics Committee</td>
</tr>
<tr>
<td>PwC</td>
<td>PriceWaterhouse Coopers</td>
</tr>
</tbody>
</table>
List of Appendices

Appendix I  –  Interview Guide for Insurance Company
Appendix II –  Interview Guide for Sports Association/Union/Federation
Appendix III –  Draft Consent Form for Interviewees
Appendix IV –  The MFA Clinic Cover Scheme Circular 2012-13
Appendix V  –  Transcribed Interview with the MRFU General Secretary
Appendix VI –  Transcribed Interview with the MFA Treasurer
Appendix VII –  UREC Confirmation E-mail
Chapter 1: Introduction

An Introduction to Risk and the Sports Industry in Malta
1.1 Introduction

Sports activity is characterised by physical activity in the pursuit of developing physical fitness, experiencing leisure time and very often as a means of social interaction. The sports industry’s objective is to stimulate these basic human needs by means of creating businesses, organizations and facilities, whereby people may acquire products or services to help them perform such sports activities.

Insurance companies are always seeking to design new products, which are able to satisfy the needs of each and every one of their clients. In order to provide specialised insurance policies for unique risks, insurance companies require extensive knowledge regarding the target industry. For the purpose of this study, the unique risks are those deriving from the local sports industry, meaning all sports related hazards. However, before exploring the general benefits and complications of such a product, one must first analyse the policies currently availability in Malta, specifically those that make reference to sports activities in some way.

1.2 Problem Statement

Most sports activities are specifically excluded in a standard insurance policy. Furthermore, extensions for specific sports activities are mainly included in travel insurance policies, not general insurance policies. There are few policies that are specifically designed to cater for sports athletes.

By investigating the local associations and federations that offer sports programmes to the public, the study may identify if there are specialised insurance products to suit their needs. The sports activities being investigated in this study will be:
The above sports were chosen as they fall under one or more, out of two categories. The first category is the sport being particularly popular in Malta and the second category being the probability of suffering serious injury while performing the sport.

1.3 Aims and Objectives

This dissertation seeks to examine and explore the opportunity for general insurance companies in Malta to enter a niche market, which is the insurance of risks associated with sports. The insurance market currently offers a number of policies that directly or indirectly relate to sports insurance:

- **Health Insurance** – Medical expenses, surgery, physiotherapy and therapeutic clinic recovery
- **Personal Accident Insurance** – Benefits in the event of an accident causing injury, death, temporary and permanent disability
- **Public Liability Insurance** – Third party liability for anyone injured on the premises where the sports activities are practised
- **Property Insurance** – Buildings, sports equipment and other assets
The ultimate aim of this study is to develop one specialized niche product, which caters for all sporting risks. By targeting a number of different areas of insurable risk, the product may potentially appeal to a range of interested parties.

1.4 Interested Parties

The ultimate goal of the study is in fact to identify the likely parties that may be interested in selling and purchasing sports insurance policies. These are the influencing criteria, which will determine the success of such a product in the insurance industry. A further consideration investigated through the study, is whether this prospective interest is one of a growing or declining nature.

The expected interested parties are those individuals or organizations that are directly or indirectly exposed to sports related accidents, injuries or liabilities. The parties identified in Malta were the following:

- Sports facilities / tracks / grounds (e.g. The Marsa Sports Club)
- MOC (Maltese Olympic Committee)
- KMS (Kunsill Malti għall-Isport)
- Sports Associations / Federations
- Sports Clubs
- Amateur players
- Professional players

Furthermore, the study seeks to analyse the progress of a particular insurance company, currently being an interested party in this field. The analysis of this company interviewed may be found in Chapter 4 – Analysis and Results.
1.5 Limitations to Research

The information from the sports associations was mostly obtained from the general secretaries of the associations. However, the latter does not always handle the association’s insurance procedures and paperwork. Many times, the association itself does not control insurance measures at all, because their premises is fully managed by the KMS. This limited the amount of information that could be extracted from the sports associations. Also, ideally the clubs would have been approached individually in order to determine the popularity of insurance culture amongst the clubs directly. Furthermore, approaching each and every club from each category of sport being investigated proved completely impractical, as the number of clubs is too high. Approaching the associations that held these clubs seemed much more reasonable, as they reflected the general attitude of the clubs towards the purchasing of insurance.

In order to examine the frequency of accidents related to sports activities, information must be acquired from medical records on a national level, collected from hospitals. Furthermore, this generally excludes many cases of sports injuries that were not reported or otherwise not treated professionally. According to a 2009 Report (p.25) “Injuries in the European Union” published by the EU Injury Database (IDB) in collaboration with WHO:

“coverage of sports injuries in official statistics is scarce”

EU Injury Database (2009)

The challenge is to try and establish an EU-wide coverage of the IDB system, by standardising case definition, setting minimum level of data to be collected and establishing injury severity scoring protocol in hospitals. This will help to obtain a more accurate
categorization of injuries and ultimately those injuries related to sports activities will be easily identified.

1.6 Chapter Outline

Subsequent to this introductory chapter, in Chapter 2 – Literature Review gives an overview of sporting risks as well as specific sports insurance policies, by referring to the appropriate literature.

In Chapter 3 – Research Methodology justifies the methods of research along with a description of the way it was later analysed. This chapter also included the inherent limitations of the research method, which presented difficulties in conducting the appropriate analysis.

Chapter 4 – Analysis and Results is a compilation of the analysis of interviews conducted, the results gathered and the relevant information for the purpose of this study being discussed. Specifically, this chapter seeks to evaluate whether managers of Maltese sports associations are currently involved or are willing to involve themselves further with insuring the members of their association. The dramatic variation in demand of athletes seeking insurance at a particular insurance company is also assessed, with the help of a senior manager at Allcare Insurance Ltd.

In the final chapter, namely Chapter 5 – Conclusions and Recommendations, a few general factors are drawn from the analysis of the results obtained. This chapter also outlines a number of recommendations regarding the impact of the local sports culture on Malta’s insurance industry.
Chapter 2: Literature Review

Preliminary findings regarding regulation of sports in Malta, sports injury and specialised sports insurance policies
2.1 Introduction

The principle area of research for the purpose of this study is the way numerous risks associated with sports are regulated, prevented, managed and maintained. The existence of specialised sports insurance products in foreign markets are investigated, in order to discern the importance, or lack thereof, of having such a product being offered to the local market. A large portion of the data collected for the following secondary research was obtained from an online source. The Maltese law is primarily investigated in order to identify the organizations that regulate sports associations and the overall sports development in Malta.

2.2 Sports Regulation in Malta

Sports regulation in Malta is governed mainly by a local sports council called ‘Kunsill Malti għall-Isport’ (KMS) and the Maltese Olympic Committee (MOC).

2.2.1 Kunsill Malti għall-Isport (KMS)

The regulation of sports in Malta is mainly done so by a specialised council called the KMS (Kunsill Malti għall-Isport). The Sports Act (2007) provides the framework for regulating the functions and management of affairs of the KMS, and may be found in Cap 455 of the laws of Malta. This Act contains a list of objectives aimed at covering all aspects of sports regulation and safety. Although insurance protection requirements are not mentioned specifically, the relevant objective for the purpose of this study may be found in Part II, Article 5(t) of the Act.
“to regulate the standards of maintenance, management, safety, levels of service and operation of sport facilities”

The Sports Act (2007) Part II, Article 5(t)

The KMS is therefore required to take appropriate measures to ensure the safety of all premises, facilities, equipment and services provided by the affiliated associations. One highly efficient method of ensuring safety is controlled is buying insurance cover for any damage, accident or injury caused to athletes, damage to buildings, damage or loss of equipment and liability to third parties around the premises owned by the KMS.

**Figure 1: Hierarchal representation of the local Sports Industry**

The KMS ensues the responsibility to regulate the standards of safety of all operations carried out at the various local sports associations, with the conscious knowledge of financial limitations. The primal goal of sports associations is to provide the right facilities and equipment for training of a particular sport, protect its clubs and encourage healthy competition. The club managers are mainly concerned with securing new talent and improving the performance of their athletes. Insurance is rarely a top priority, which is the common attitude of the man in the street.
2.2.2 Maltese Olympic Committee (MOC)

The Maltese Olympic Committee (MOC) is another regulating body that governs sports activity in Malta. This committee is responsible for the encouragement, promotion and funding of athletes through competitive sports programmes in Malta. The MOC also prepares Maltese athletes for international sports competitions such as the Mediterranean Games and The Olympic Games.

In 2008, according to a news article The Malta Independent, the MOC announced that a contract was formed with Allcare Insurance Agency\(^1\) to provide athletes and affiliated clubs with a range of schemes in order to specifically cater for the needs of sports persons.

“The MOC had long felt the need for specialised insurance coverage that is tailor made to the specific requirements of athletes and sports clubs”

The Malta Independent, Sports Section (2008)

There are two distinct policies available, one for Maltese Athletes called ‘The Sports Protection Plan’ and one for Maltese Sports Clubs called The ‘Clubmark Insurance Package’. These policies were previously underwritten by MSI (Middlesea Insurance plc.) at the time when the policy was launched, but since the former Allcare Insurance Agency converted into an insurance company in 2013; these policies were taken over by the latter.

The specialised sports insurance product combines Health, Personal Accident and Travel insurance, under one tailor made policy. The progress of this Sports Protection Plan is

\(^1\) The company is referred to as Allcare Insurance Agency as it was previously a brokerage, as it states in the original article. However, since 2013 it has converted into an insurance company, Allcare Insurance Limited, and referred to as the latter thereon throughout the research.
discussed further in Chapter 4 – Analysis and Results, subsequent to an interview conducted with a Senior Manager at Alicare Insurance Limited.

Where insurance policies are concerned, the ultimate factor to take into account is the probability and magnitude of the risk involved. Despite one conforming to health and safety procedures set out by legislation as well as the various governing bodies and committees, the primary risk when doing sports is the risk of injury.

2.3 Sports Injuries

The risk of injury is inevitable when participating in any type of physical sport. This is not only a burden on the player, but on the sports club / association providing the facility or service. An insurance company that provides sports insurance, ideally, employs specialised staff that either have the right qualifications or adequate experience to deal with risks involved with sports. This employee may be a medical professional (such as a sports physiotherapist) or a professional athlete who is knowledgeable when it comes to sports injuries. Furthermore, the insurance company may seek any person who has enough experience and know-how to advise the underwriters to mitigate risks associated with specific sports accordingly.

2.4 Types of Cover

Specialised sports insurance cover is composed of a number of different categories, depending on the customers’ needs. Most sports insurance companies internationally focus on the following sub-products:
After identifying the quality of cover under one of the above headings, the subject matter to be insured is then classified under a specified sports activity and cover is arranged accordingly.

According to the official website of a sports insurance company in the UK, *Sports Cover Direct Ltd* (2002–on-going), the different sports are grouped according to the level of risk associated with that particular sport. Some examples of these are shown in the Table 1 below.

**Table 1: Sports activities categorised by level of risk**

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<td>Abseiling</td>
<td>Football</td>
<td>BMX Freestyle</td>
<td>Hang Gliding</td>
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<td>Fencing</td>
<td>Skiing</td>
<td>Free Diving</td>
<td>Parachuting</td>
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<tr>
<td>Golf</td>
<td>Rafting</td>
<td>Mountain climbing</td>
<td>Sky Diving</td>
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<tr>
<td>Windsurfing</td>
<td>Sailing</td>
<td>Rugby</td>
<td>Paragliding</td>
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With the type of cover specialised and sub-grouped accordingly, the insurer is able to give the customer a reasonable premium cost, according to the specific risks associated with their needs.
2.5 High Risk Sports

Foreign specialised sports insurance products include a wider range of sports as a result of a few evident opportunities, which Malta lacks, such as its climate and availability of specific land formations. Some of these sports include skiing, mountaineering and ice hockey.

A further hypothesis, which required investigation, was that the potential for insurable interest in Malta would not lie in high-risk sports, but in the popular low risk sports associations. Therefore, for the purpose of this study, the following includes some online findings regarding insuring high-risk sport, but the primary research in Chapter 3 – Research Methodology was dedicated to low risk local sports associations.

Whitaker (1998) wrote an article in The New York Times regarding the risks associated with extreme sports. Certain high-risk sports activities, such as skydiving and bungee jumping, either tend to inflate premium costs considerably, or else they are just not covered.

“If you say you participate in such sports, chances are you can still get insurance; it just may cost an arm and a leg, particularly if the company is unfamiliar with your activity of choice.”

Whitaker (1998)

This is especially potent given the odd high-risk activity, which the company is not familiar with. In this case, general insurance companies are most likely to exclude it entirely.

Ruibal, S.R., (2008) writes about Murray, 28, from Newcastle, England who suffered a tragic accident as a result of his BMX freestyle riding profession, leaving him unable to use his arms or legs. A fellow motor crosser, Cooke, created a fund in aid of Murray and his family.
The fund is called the Athlete Recovery Fund (ARF), which was created to help uninsured, injured professional athletes to get coverage. This was a consequence of the fact that insurance would not cover Murray on the basis of uncertainty of risks involved with his particular sports profession.

“Underwriters see these sports on TV and become afraid to write policies”

Cooke (2008)

This is not surprising, especially considering the statistics published of fatalities resulting from sports activities. The following table is taken from ‘Injuries in the EU’, a report based on data from 2005-2007, where data was taken from the EU Injury Database (IDB), Eurostat and The World Health Organization (WHO) to gather a thorough synopsis of injuries in Europe.

**Figure 2: Fatal sports injuries by type of sports (excluding swimming) and age group**

![Chart showing fatal sports injuries by type and age group](image)

EU Injury Database (2007)
The table above shows the number of fatalities suffered as a consequence of the participation in certain specified sports activities (excluding swimming). The age range that suffered most is 25-59, in all given sports. This shows that participants in this age range are most at risk when it comes to liability and personal accident. Middle-aged people are ultimately the target audience when it comes to sports insurance coverage. With a very specific type of product and small demographic being targeted, the market strategy which needs to be employed by insurance companies is a niche strategy.

### 2.6 Targeting a Niche Market

In order to initiate a niche market strategy, a detailed marketing plan must be developed beforehand. This is emphasised in a CPCU Journal called ‘Developing a Niching Strategy for Insurance Agents’, written by Lowry, Avila and Baird.

> “To evaluate the potential of a niche and to provide an entrée into it, a strategic marketing plan should be prepared.”

Lowry, Avila, Baird (1999)

Once the target customers are identified, there are a variety of factors that may determine the profitability of this new sector. In the case of a sports insurance product, the key determining factors are:

- Number of potential clients
- Range of cover available (as well as limitations)
- Capital available to invest in the marketing program
- Overall risk appetite of the company
In Chapter 4 – *Analysis and Results* a local insurance company is investigated to assess the magnitude and trend of this demand, or whether it is simply not present in Malta.

Gordon, K.G., (2012), a marketing expert, speaker, author and media spokesperson, wrote an article called ‘3 Rules for Niche Marketing’ for the *Entrepreneur Magazine*, a popular American business magazine. In said article, the author speaks about the three important rules when taking on a new niche:

1. Meeting the client’s unique needs, by providing an appealing product or service which varies to suit individual client needs
2. Saying the right thing, by understanding the target customers’ background and marketing the product correctly
3. Testing out the market, by assessing the direct competitors’ key selling points, pricing and delivery techniques.

Furthermore, in order to successfully market a push product such as sports insurance, there is an essential need to assess the demand for this product at national level, in order to establish solid groundwork to launch the product. Although a niche market strategy may be an opportunity for some, it may contrariwise serve as a threat to the company’s reputation, in the case that the product fails to take off.

In an article called ‘A Niche in Time’ published by Lewis (2004), the author describes the opportunities associated with niche insurance products. Lewis explains that companies that offer specific products focused on niche markets have the most potential for price increases and growth, as a result of the limited competition. When approached in the correct manner, the launch of an innovative niche product has the potential to target a range of new clients, but if these interested clients do not exist, the operation is futile. This research study aims to seek out possible interested clients in Malta, for the potential benefit of general insurance
companies. The results of an interview conducted with a local general insurance company, may be found in Chapter 4 – *Analysis and Results*.

## 2.7 Conclusion

The above secondary research included taking a closer look at the sports industry in Malta, the risks associated with sports, foreign sports products in the insurance market as well as the potential of such a niche market. Taking all this into account, it seemed that with a powerful marketing strategy, this would be a window of opportunity for insurance companies to attract new customers and for local clubs to protect their athletes. However, in order to conduct a more accurate research, the sports associations were visited directly with the prospect of getting first hand knowledge of the current awareness regarding insurance.
Chapter 3: Research Methodology

Justifying the methods of research along with a discussion of the analysis employed to reach the desired outcomes
3.1 Introduction

In this chapter, the methods used to collect primary and secondary data will be identified, as well as the approach used to analyse the data after it was collected. This chapter will also outline any ethical considerations that need to be addressed, together with any difficulties encountered when using any data collection methods.

3.2 Achieving Aims and Objectives

In order to reach the objectives of this study, the following data was needed:

- To investigate foreign insurance markets, mainly direct online sports insurance cover
- To study the major sports associations in Malta regarding the culture of insurance within the association and the protection of members and clubs
- To interview a local insurance company and investigate the policy of their specialised sports insurance protection plan

3.3 Justifying the Method of Research

The research carried out for this study was mainly qualitative research. The aim of the study involves discussion with a select few key players in the sports industry, mainly that of managers of sports associations. Hence, as the general public could not be targeted and there was little to no numerical data involved, the quantitative research method proved to be an unpractical approach.
The most popular sport in Malta is football. The latter, along with other well-liked sports in Malta such as rugby, were chosen for interviews purely on the basis of popularity. By doing so, there would be a greater possibility of the association comprising of athletes who are either dedicated to the sport or even professional athletes. Furthermore, professional athletes are the most fundamental contributors to this study, as they are the most likely to be interested in sports insurance cover.

The method of interview style employed was the semi-structured interview approach. A formalised set of questions was prepared beforehand, however the questions were sometimes altered during the course of the interview depending on the interviewee’s answers accordingly. This method was adopted in order to collect any data from the interviewee, which were not included in the set of questions but may still be essential to the study. The downfall of this type of interview is that if the interviewee were allowed too much flexibility, possibly no concrete answers would have been given to the questions posed.

3.4 Review of Data Collected:

3.4.1 Primary Data:

In all, six interviews were conducted; five of which were with Maltese Sports Associations; and, one with an insurance company. The insurance company interviewed was Allcare Insurance Limited. The five Sports Associations approached were mainly chosen by popularity of the sport in Malta, these are the following:

1. **Football**: Malta Football Association
2. **Waterpolo**: Aquatic Sports Association of Malta
3. **Rugby**: Malta Rugby Football Union
4. **Karate:** Malta Karate Federation

5. **Basketball:** Malta Basketball Association

The persons interviewed at the sports associations all assume managerial positions and have the authority to affect decision-making procedures within the association. The interview questions asked were not related to sensitive or personal information about the interviewee.

### 3.4.2 Secondary Data:

The research method used to obtain secondary data was mainly the Internet, providing access to direct online sports insurance providers worldwide, in order to investigate the nature of sports insurance cover overseas. A wide source of articles and academic journals were also used, providing some statistical data concerning sports injuries worldwide. These journals also lead me to believe that the qualitative research method was appropriate for this study, since numerical data was very limited. The Harvard Style Referencing method was applied to reference all of the articles and journals, which were cited in this research document.

### 3.5 Methods of Analysis

A total of four out the six interviews conducted were recorded on a mobile device, these four were the general secretaries at the MRFU, MFA, MKF and ASA. The other two interviewees were not comfortable being recorded. The recordings allowed interviews to be transcribed

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2 The Malta Rugby Football Union, the Malta Football Association, the Malta Karate Federation and the Aquatic Sports Association
with ultimate precision. One of these prescribed interviews is provided in Appendix V – Transcribed Interview with the MRFU General Secretary for reference. Two interview guides were prepared: one interview guide may be found in Appendix I – Interview Guide for Insurance Company, which was used to conduct an interview with a single Insurance Company and the other interview guide found in Appendix II – Interview Guide for Sports Association/Union/Federation, was used to conduct the interview with five sports associations. Furthermore, the interview conducted with the insurance company is analysed independently of the rest, and the other five are compared and contrasted to identify possible statistics and patterns. The interviews contained a number of open-ended as well as close-ended questions, which are analysed in Chapter 4 – Analysis and Results using two distinct methods appropriately.

3.5.1 Qualitative Method

The open-ended questions are discussed in a descriptive manner. The qualitative method is used to understand the reasons why some sports associations are more concerned with insuring their clubs and members, than others. The aim of the semi-structured interview approach was also to allow the interviewee to share any information, uniquely relevant to that particular association. This method was employed to reach a more in-depth understanding of the culture of insurance practice with local sports associations. The qualitative research analysis may be found in Chapter 4 – Analysis and Results, Section 4.2 ‘Findings and implications’.
3.5.2 Quantitative Method

The close-ended questions could all be answered with a simple “Yes” or “No”. The sample population for the purpose of this research is the group of five sports associations, each interviewed individually. Quantitative research involves a numerical approach to analysing data collected, mainly using proportions. The quantitative data allows the close-ended questions to be converted into numerical statistics in the form of graphical representations, such as tables and charts, to compare the answers of five sports associations. The quantitative research analysis may be found in Chapter 4 – Analysis and Results, Section 4.3 ‘Comparative Research’.

3.6 Triangulation

Triangulation is a successful tool used in research, which is applied by using a number of different sources in order to validate data found about one particular topic. For the purpose of this research, the topic was whether sports associations insure their clubs and members through insurance companies. This is why both a sports associations as well as an insurance company were approached. The triangulation technique therefore entails gaining insight from both sources, and later comparing the two accordingly.

3.7 Limitations to Method Employed

In order to obtain more accurate results regarding the specific individuals and groups that have sports insurance cover, ideally the individual players and clubs would be interviewed. However, this specific target population is so large, that interviews would have either been limited to one particular sport, or else have an undesirable imbalance of clubs from a
particular sport. Therefore, in order to limit the interviews to one overall interview for every sport, the next option was to interview the general secretaries of sports associations, as they were the next targets.

There was also a limited amount of insurance companies or agencies that actually supplied specialised sports products. Most companies do not provide a distinct separate policy, but rather offer the cover through general insurance policies instead, such as a health insurance policy with loaded premium to be able to suit the athlete’s specific needs.

Another factor, which limited accuracy when analysing results, was the fact that a few interviewees did not allow the interview to be recorded electronically. Furthermore, notes where jotted down during the interview, even when the information deviated from the set of questions asked.

3.8 Ethical Considerations

The University Research Ethics Committee (UREC) is responsible for the performance of research involving human subjects and for complying with regulations in this regard. There were no ethical considerations for this research because the interviews involved no input from the general public; the research only addressed administrative issues from persons in management positions.

Furthermore, UREC came to the conclusion that no ethical clearance was required in relation to this proposed research.\(^3\) Nevertheless, a consent form was still required,\(^4\) which

\[^{3}\] See Appendix VII – UREC Confirmation E-mail

\[^{4}\] See Appendix III – Draft Consent Form for Interviewees
was presented to every interviewee to ensure that they would not be mentioned personally in this research and that they were free to drop out of the interview and choose not to participate at any time.

3.9 Conclusion

The interview guides were initially constructed with the intention of using a qualitative and quantitative approach, as well as a combination of both methods. The results emerging from the interviews is analysed further in Chapter 4 – Analysis and Results. The feedback obtained from the interviewees was relatively positive. Most general secretaries expressed evident interest in the study and extremely diverse opinions were conveyed regarding the culture of sports insurance.
Chapter 4: Analysis and Results

Analysis of results from interviews conducted and the culture of insurance among different sports associations
4.1 Introduction

The following chapter includes a detailed report of the results obtained from the interviews conducted. Comparative analysis is carried out to assess which of the associations have the most risk preventative facilities, and which give the most importance to insurance means.

4.2 Findings and implications

This section is composed of a qualitative analysis of the interviews that were carried out. The first sub-section (4.2.1) exhibits the findings at the only insurance company visited, regarding their specialised sports insurance product. The remaining sub-sections (4.2.2 - 4.2.6) are an explanation of the results obtained from the associations / federations / unions.

4.2.1 Allcare Insurance Limited

This company was chosen after an advertisement being broadcast on the radio was heard regarding Allcare Insurance Ltd’s availability of a Sports Protection Plan. A senior manager at Allcare Insurance Ltd was interviewed.

The company offers four distinct levels of cover when buying a Sports Protection Plan; bronze, silver, gold and platinum, each level of cover increased respectively. The policy is purely a health policy. Policyholders are required to take medical tests and the policy is subject to additional terms and conditions for certain high-risk sports.
Under the Sports Protection Plan, personal accident benefits are not offered in the event of an athlete suffering total or partial disability as a result of an accident, despite it being temporary or permanent injury. Third party liability protection for injury caused towards other players and other third parties is also not provided under this policy.

As regards buildings and equipment, cover is provided under a property all risks policy rather than the sports protection policy. The policy is available to amateur athletes, professional athletes, minors, teams, clubs, federations, associations as well as coaches. Overseas cover is provided for teams competing abroad, at an additional premium and the platinum Sports Protection Plan provides worldwide cover. The Sports Protection Plan is aimed to provide cover for competitive sporting events only. Specifically, sports recognised by the ‘Kunsill Malti għall-Isport’ (KMS) and the Maltese Olympic Committee (MOC).

According to Allcare Insurance Ltd, the most popular field for which sportspersons seek this Sports Protection Plan is basketball. Furthermore, the most common claimants under this protection plan are also basketball players. The injuries suffered by basketball players are related to muscles and joints, mainly knees and elbows.

Currently, Allcare Insurance Ltd’s specialised Sports Protection Plan is very low in demand. Sports associations in Malta face immense financing problems; many barely have enough capital to fund the day-to-day running costs. In 2009, when the Sports Protection Plan first emerged, it accommodated around 160-180 clients. Today, this figure has dropped to around 60, a significant drop of around 35%.
Future expectations for the Sports Protection Plan do not look profitable. This significant decline in number of clients in the past four years does not show any signs of variation for the near future. In order to reverse this and keep the product from failing altogether, a few recommendations are given in Chapter 5 – *Conclusions and Recommendations*.

### 4.2.2 Malta Football Association

At the Malta Football Association, the Treasurer was interviewed\(^5\), whose main responsibility involves handling the revenue of the association. The finances are divided according to the needs of the clubs and members. Football is one of the most popular sports in Malta. The MFA is responsible for the organization of the Maltese national teams and leagues for men women as well as youth.

\(^5\) See Appendix VI – *Transcribed Interview with the MFA Treasurer*
The MFA is comprised of the National Stadium, training facility, gym, swimming pool as well as the Physiotherapy and Rehabilitation Clinic. Recently, the MFA Medical Physiotherapy Centre introduced a Clinic Cover Scheme\(^6\), which is offered to any sports club or association, exclusively on a club basis. According to the *Clinic Cover Circular (No 02/2012-2013)*\(^7\) published by the MFA, directed towards member clubs, this cover scheme provides the latest in sports medicinal technology in Malta. Therefore, most of the injuries suffered by the players are catered to in-house.

> "The Human Tecar is regarded as the best therapy machine ever to treat any type of injury, and together with the Biodex machine offers athletes the best available rehab clinic on the island"  
>  
> The MFA General Secretary (2012)

The cost for one of these machines is around €30,000, which is worth it seeing as a single operation would cost around €4,000 - €5,000 if these were outsourced to hospitals. According to the treasurer, the most common and serious type of injury suffered by football players is a torn ligament. This type of injury requires long-term healing; sometimes it takes up to 8 months until the player is fully healed and is able to play again. In the year 2012, there were around 6 serious cases of national team players that suffered torn ligaments.

A yearly subscription fee for the Clinic Cover Scheme ranges from €250 to €800, depending on the type of the club. The Premier and the First Division football clubs pay the highest subscription fee as these players are most at risk and therefore more likely to need clinic cover.

\(^6\) A privately run scheme organized by the MFA on a membership basis

\(^7\) See Appendix IV for a copy of The MFA Clinic Cover Scheme Circular 2012-13
With regards to costs for this scheme, the Treasurer of the MFA states that around 250 players are currently members of this scheme, on a club basis. That’s an estimation of around €40,000. The scheme covers players all year round, irrespective of whether the injury was suffered on the field.

The main aim for the MFA is to get the player healthy and back onto the field as quickly as possible. Ultimately, investing in players’ health and safety is crucial to the survival of the association.

“We are trying to instigate the culture for all the players to be insured, but it is not easy.”

MFA Treasurer (2013)

The Treasurer explained that the clubs that are interested in buying insurance are weary of insurance companies avoiding claims when the need arises. In fact, most clubs approach the MFA and the latter carries out the administration to deal with insurers and negotiate
cover and prices. However, the underlying issue of all clubs is that they are more interested in spending money to buy new players, than to protect the ones they already have.

4.2.3 Malta Rugby Football Union

The most common type of injury suffered by a rugby player is skin injury, meaning cuts, lacerations, gashes, tears, scrapes, and bruises to the skin. However, rugby is a high contact sport, meaning the object of the game includes the act of holding the rugby ball while running and trying to dodge other players, occasionally ramming into players of the opposite team when that player is an obstacle. The rules of the game allow this somewhat rough behaviour, which is why at minimum, minor injuries are commonly suffered during a typical game of rugby. The union does not have any professional players; all players within the union play rugby as a hobby.

In 2012, one of the players at the Malta Rugby Football Union (MRFU) suffered a serious, life threatening neck injury, which required emergency medical attention. This eventually turned out well and the player made a full recovery. Following this incident, a union meeting was called to discuss the possibility of a mandatory insurance policy for all players that formed part of a club. This idea later got a majority vote at the annual general meeting of the union and was immediately put into force. Currently all players and coaches have mandatory insurance cover upon registration with the MRFU, meaning it pays basic medical bills and loss of work benefits as a result of any injuries suffered while playing rugby. The policy is taken out through GasanMamo Insurance Brokers.
GasanMamo Insurance Ltd has sponsored the MRFU since 2005\textsuperscript{8}, promoting the sport and safe practices, and encouraging it to become a mainstream sport among the local youth. This 3-year sponsorship has been renewed for the third time. Rugby’s popularity as a sport in Malta has grown exponentially in the past decade among people of all ages.

\subsection*{4.2.4 Malta Basketball Association}

The basketball association, out of the sample associations interviewed, seemed the least interested in insurance. The general secretary explained that insurance cover is not offered to the clubs or the coaches and must be taken out privately if the interest arises. According to an interview carried out at Allcare Insurance Ltd, the clubs that purchase their Sports Protection Plan policy are mostly basketball clubs. To the knowledge of the general secretary at the MBA, they do not have insurance cover for the building, third parties or equipment. However, it seemed that not much information was known, regarding anything to do with insurance cover.

The most common type of injury suffered by a basketball player, according to the interviewee, is strained and torn tendons and joints. The parts of the body mostly injured are the knees and ankles. The general secretary of the Basketball Association expressed no interest in making insurance available for clubs or individual players in the future.

4.2.5 Aquatic Sports Association

The general secretary was interviewed regarding waterpolo in Malta. The most common injury suffered by players of waterpolo is shoulder injury, and in some serious cases contact injury, despite the nature of waterpolo being ordinarily a mild contact sport. Some specific serious cases of injury that have occurred in the past include; eye injury with partial detachment of the retina as well as broken noses and ribs.

The KMS manages many of the facilities of the Aquatic Sports Association. The association does not own the property and equipment it uses, therefore property insurance is handled by the KMS. The latter is also responsible for third party liability, for anyone who is injured while at the premises, either watching games or using the pool and showers. However, the separate clubs handle the insurance of their players.

The foreign players who play waterpolo with a club in Malta generally have insurance. In the case of local waterpolo players, the association has a contract with a medical company, which is exclusive for national club players, meaning those players who participate in competitions. When players are sick or injured before a competition takes place, the association provides a medical screening to deduce whether the player is fit to play or not. In the case of an injury sustained during the game, a doctor and a physiotherapist are present.

Since most of the facilities of the aquatic sports association are owned by the KMS, the general secretary showed little knowledge regarding insurance matters on the whole.
4.2.6 Malta Karate Federation

A chief referee of karate, who is also a senior instructor in Malta, was interviewed at the Malta Karate Federation. This martial art mainly consists of punching, kicking, knee and elbow strikes. The Malta Karate Federation is recognised by the Maltese Olympic Committee and the clubs that form this federation compete internationally.

Karate is a contact sport, meaning the objective of the activity involves competitors being engaged in direct physical contact with their opponent. Scores are given according to the impact on the opponent and technique used. Contact sports are the most risky type of sport, as it involves the potential physical harm that may be inflicted upon the competitor as well as liability towards the latter's opponent.

Furthermore, according to the interviewee, the most common type of injury sustained during competitions is mild bruising. Sprained ankles and wrists are also common. A medical team is available during competitions, and penalties are assigned in the case of illegal moves under the World Karate Federation's rules. The interviewee expressed the importance of the full gear worn by the competitors and costly equipment used in karate sessions in order to decrease the risk of frequent injuries.

Currently, insurance protection is not offered to members of karate clubs, neither from the federation itself, nor from club owners. Moreover, interviewee expressed a great interest in introducing insurance protection against personal injury on a club basis. This policy has been applied for and will be put into force in the near future.
4.3 Comparative research

The five sports associations chosen as a sample for this study are compared and contrasted below, through quantitative analysis of the close-ended questions in the interviews.

4.3.1 Medical Team Availability

The Malta Basketball Association is the only association who claims not to have a medic on site during games. According to the general secretary, if the injury is serious enough, an emergency number is called, but there is no in-house doctor or other professional to cater to players who get injured.

Figure 5: Sports Associations: Availability of in-house medic during games

It is interesting to note that basketball, being the association that provides least medical help for the players during games, is also the sport, which is most popular with insurers locally. As previously discussed during the interview with Allcare Insurance Ltd., out of all the sports players in Malta, basketball players are those that seek medical and personal accident insurance cover most.
4.3.2 Insurance Cover for Sports Clubs

The Malta Rugby Football Union is the only sport among the sample interviewed that incorporates mandatory insurance cover for all members upon application. Optional cover is offered to the members of the Malta Football Association, these are generally the players forming part of the national team. The other 3 associations, namely basketball, waterpolo and karate, do not have contractual obligations with any insurance company for the purpose of the members’ medical emergencies or personal accident.

Figure 6: Sports Clubs Insurance Cover

In Figure 6 above, the chart depicts a percentage of the total sample population of sports associations, which either have optional or mandatory cover, or do not offer insurance cover at all. The most likely event is that a local sports association does not offer the option of insurance cover, therefore may only be purchased externally, through an insurance company.
4.4 Criticism

The two main drivers that affect the availability of sports insurance in Malta’s Sports Associations are the following:

- The risk factor associated with playing a particular sport
- The necessity of a particular player’s good health for the benefit of the club

Rugby appeared to be the most risky sport out of the sample interviewed, due to the fact that in previous years, this sport involved the most serious case of an individual’s injury, verging on fatality. In fact, following this particular incident, the introduction of basic insurance cover was made available for all club members that formed part of the MRFU. On the other hand, in the case of football, the most important goal of the association is the attainment and protection of skilled players for the national team. This is ultimately the determinant factor, which encourages the association to seek out insurance to protect its players, since the strength and fitness of their professional players is the association’s most valuable asset. Furthermore, the association may invest in the players’ competences by providing them with the appropriate clinic scheme to cover all medical emergencies, physiotherapy, rehabilitation and any accidental benefits.

4.5 Conclusion

The main difficulty which all sports associations face is the scarcity of funds. Most of the associations barely have enough finances available for the day-to-day overheads required to maintain the facility, never mind spending excess funds to buy a product, which is neither a bare essential, nor in demand.
Chapter 5: Conclusions and Recommendations

Concluding remarks regarding the culture of insurance among the local sports industry and recommendations for future growth
5.1 Introduction

Initially, the expectations of the study were high and, in theory, there was a generally optimistic prospect for growth in this niche market. Nevertheless, when the primary fieldwork was carried out, this turned out to be the opposite. Various aspects of the Maltese market, in both the insurance and sports industry, seemed to prevent the success of such a specialised sports insurance product in Malta.

This concluding chapter will finalise the research carried out, by assessing the impact of the culture of insurance on the sports industry in Malta. Possibilities of major impacting factors are mentioned and finally a few recommendations are given for future growth in this field.

5.2 Impact

Through research conducted at sports associations and a local insurance company, it may be concluded that the culture of sports insurance in Malta is very lacking. Although many general secretaries at sports associations show a significant amount of interest to insure their facilities as well as their players, a number of obstacles seem to pose an impediment towards this goal.

Although most of the general secretaries at sports associations showed a significant amount of interest in this research, it is quite surprising to hear that many of these sports officials had very little knowledge regarding the insurance policies covering their facilities and clubs.

The Malta Football Association and the Malta Rugby Football Union, in particular, were the only two out of the sample interviewed that showed a great deal of growth in protecting its club members and developing the regulation of insurance.
5.3 Future Prospects

The prospect of developing a culture of sports insurance in Malta seems unlikely. The competitive disadvantages associated with this niche market are too severe for any sort of significant success. Allcare Insurance Limited experienced the disadvantages of attempting to launch a sports protection plan first hand, as the future of his product now appears unfavourable. The possible reasons for failure of this product include:

- A poor initial marketing campaign
- A small selection of target customers: only individual athletes and clubs who have the perception that they are somewhat at risk
- Low demand from sports associations due to scarcity of funds at their disposal
- The Maltese population’s apprehensive attitude towards the purchasing of insurance

The most basic specialised sports insurance product is related to health insurance. Moreover, according to a publication released by PwC\(^9\) in 2012, called *Healthcare delivery in Malta*, private health insurance is bought by around 21% of the Maltese population.

"Around 21% of the population has some form of private health insurance"

PwC (2012)

The free local healthcare available may hinder the demand for insurance in this sector. The prospect for growth in demand for this aforementioned Sports Protection Plan is therefore highly doubtful.

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\(^9\) PriceWaterhouse Coopers (PwC)
5.4 Recommendations

Ultimately, insurance companies are concerned with the business aspect. *Is profitable for this product to continue being offered?* If the number of customers remains low or continues to decrease, it will no longer be practical to sell the policy anymore unless the price or the selling strategy is changed. The policy needs to be available at a reasonable price, to make it more attractive for athletes, whilst remaining feasible for the insurers to underwrite the policies. Hopefully the number of policies sold will increase and in the medium to long term, prompting other insurers to enter the market.

Recommendations for insurance companies that wish to launch a Sports Protection Plan in the future include:

- A strong marketing strategy, aimed directly at the target audience. The primary focus should be club cover for health and personal accident benefits
- Price negotiation with sports association managers, in order to settle a reasonable price to cover their members and clubs
- Cross-selling techniques through a strong customer relationship management strategy

5.5 Concluding Remarks

Insurance does not seem like a top priority to any individual clubs or sports associations, it is mostly marginalised, because the probability of a disaster occurring is either ignored or considered highly unlikely. The culture of insurance in the local sports industry is therefore not prevalent and does not seem to project any semblance of growth in the near future.
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Appendix I

Interview Guide for Insurance Company

Name of Insurance Company: ________________________________

Position: ________________________________

Questions

1. Do you have a sports protection plan available? 
   Yes ☐  No ☐

2. If so, what are the levels of cover provided?
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

3. Which is the most popular field for which sportspersons seek insurance cover?
   __________________________________________________________

4. What is the most common claim under a sports protection plan?
   __________________________________________________________

5. Do you provide cover for:
   a. Amateur athletes ☐
   b. Professional athletes ☐
   c. Children (under 16) ☐
   d. Teams/Clubs/Federations/Associations ☐
e. Professional Indemnity for Coaches/Trainers

f. Liability to third parties

g. Other: _____________________________

6. Under a sports protection cover, what is covered:

a. Personal Accident

b. Medical emergency

c. Travel

d. Property – Building

e. Property - Equipment

f. Other ______________________________

7. How will cover be restricted on basis of:

a. Medical history

b. Overseas cover

c. Age restriction

d. Lifestyle

e. Other:

8. Is the sports protection cover available for extreme sports activities? [E.g. diving, bungee jumping, abseiling, racing, jet skiing, paragliding and rock climbing]
9. Is there any Maltese Sports Association that has a contractual obligation to act as a Tied Insurance Intermediary for the underwriting of insurance for Allcare Insurance Ltd?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

10. Are there any plans for change in the sports protection plan in the future?
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Date: ___________________________
Appendix II

Interview Guide for Sports Association/Union/Federation

Name of Association: __________________________
Position: __________________________

Questions

1. What is the most common injury suffered by a player of this sport?

________________________________________________________________________

2. In the case of medical aid or emergency, is there an in-house medic/team?
   Yes ☐ No ☐

3. Have there been any serious cases of injury or even fatalities in the past?
   Yes ☐ No ☐

________________________________________________________________________

4. Upon application with the association, is insurance coverage:
   a. Mandatory for coaches/trainers ☐
   b. Mandatory for members ☐
   c. Mandatory for teams ☐
   d. Mandatory for professional players ☐
   e. Mandatory when a member/team goes overseas ☐
   f. Optional with fixed cover for all members or teams ☐
g. Optional and organised on an individual/team basis

h. Not offered (must be taken out privately)

5. Does the association have third party liability insurance cover for anyone injured while on the premises?

Yes ☐ No ☐

6. Does the association provide Professional Indemnity Insurance for the trainers/coaches?

Yes ☐ No ☐

7. Does the association facilitate the possibility to insure property/equipment within the premises?

Yes ☐ No ☐

8. Are there any plans for change in the future, regarding the mitigation of risk of injury and insurance procedures?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Date: ______________________
Appendix III

Consent Form

To: Name: ______________________
   Position: ______________________
   Association: ______________________

Date:________________

Dear _______________,

I am inviting you to participate in a research project to study the Sports Insurance market in Malta within the field of Insurance and Finance. I would be very much obliged should you grant me an interview wherein you can voice your beliefs on sports protection in general and the specificities of such a product.

The results of this project form part of a data collection process for the Bachelor’s dissertation I am working on. Through your participation, I hope to understand management’s attitudes towards, awareness and perceptions of sports insurance. I hope that the results of the interview will provide important feedback for the overall study. Your participation in this research could influence the method of implementation and conclusions of dissertation.

I guarantee that your responses will not be identified with you personally. Your individual comments and answers will be strictly confidential. Your participation is voluntary and would be much appreciated. Please let me know if you would like a summary of my findings.

If you have any questions or concerns about granting an interview or about being in this study, you may contact me on 79063422. This project has been approved by my supervisor, Dr Carmel Cascun and the Research Ethics Committee of The University of Malta.

Yours sincerely,

Denise Farrugia

Approved by:

Name: ______________________
Appendix IV

Circular № 02/2012 • 2013

To Member Clubs

MFA MEDICAL PHYSIOTHERAPY CENTRE - NATIONAL STADIUM, TA' QALI

CLINIC COVER SCHEME 2012 • 2013

The MFA is accepting new applications for the Clinic Cover Scheme, which provides medical and physiotherapy services at the MFA Medical Physiotherapy Centre, National Stadium, Ta' Qali, for the benefit of players of MFA Member Clubs that subscribe to the Scheme, during season 2012/2013.

Based on last year’s improvement, the MFA Medical Physiotherapy Centre will continue to enhance it’s services in the field of physiotherapy and rehabilitation. The Human Tecar is regarded as the best therapy machine ever to treat any type of injury, and together with the Biodex machine offers athletes the best available rehab clinic on the island.

The terms and conditions of the scheme are as follows:-

a) The Clinic Cover Scheme, irrespective of the date of subscribing to it, will be for the period 1st August 2012 to the 30th June 2013.

b) The Clinic Cover Scheme includes the use of all the facilities at the MFA Physiotherapy Centre, except the use of the Tecar and Biodex Machines. However, in the case of the Tecar and Biodex Machines, Clinic Cover Scheme Member Clubs will be entitled to a maximum of thirty (30) sessions out of the total amount of sessions allowed to them. Extra use of the Tecar Biodex Machine will be charged at the heavily discounted rate of fifteen (€15) Euro per session.

c) Visits to the Clinic must be pre-arranged by appointment with the MFA Medical Physiotherapy Call Centre on 23386511 or by e-mail on clinic@mfa.com.mt

d) For visits under the Scheme, the MFA Physiotherapy Centre will be open from Monday to Friday, except on public holidays between 08:30am and 07:00pm. During BOV Premier League match days restricted opening and closing times apply.

e) The subscription fees for the Clinic Cover Scheme for Season 2012/2013 shall be as follows:-
   - Premier and First Division Clubs – Eight hundred Euro (€800) per Club
   - Second and Third Division Clubs - Five hundred Euro (€500) per Club
   - Other Clubs and Associations (Affiliated Members and Other sport associations) – Two hundred and fifty Euro (€250)
   - Tecar & and Biodex Package – Five hundred Euro (€500)

f) Payment for subscription to Clinic Cover shall be made in two (2) equal installments:
   - By not later than the 1st September 2012,
   - By not later than 1st January 2013.

   A further purchase of a cover may only be made if the first cover purchased has been paid in full.
g) Subject to what is stated above with regards to the use of the Human Tecar/Biodex Machine, the period of cover for the Scheme will be from the date of receipt by the MFA of the Application Form and will extend to a maximum of:

- Premier and First Division Clubs - 80 sessions (30 sessions Biodex & Tecar and 50 sessions other services)
- Second and Third Division Clubs - 50 sessions (25 sessions Biodex & Tecar and 25 sessions other services)
- Other Clubs and Associations – 25 sessions (10 sessions Biodex & Tecar and 15 sessions other services)

h) The MFA reserves the right to amend and/or introduce regulations regarding the method to be followed when a Club requests the benefits under the Scheme.

Interested Member Clubs are kindly requested to fill in the attached Application Form. Claim Forms relative to the Scheme will be sent to subscribing Member Clubs on receipt of their Application Form.

Member Clubs who do not subscribe to the Clinic Cover Scheme

Those Member Clubs who are not subscribe’s to the Clinic Cover Scheme may still make use of the MFA Physiotherapy Centre at the rate of twenty five Euro (£25) per single session. These may also benefit from the special rate of thirty Euro (£30) per session for the use of the Biodex Machine and the Human Tecar Therapy treatment. The MFA reserves the right to change these rates at any time.

In the case of such treatments, payment has to be made in cash with every treatment. Furthermore, in order that a player qualifies for such a special rate he has to produce a letter from his Club asking to take advantage of the special rates and quoting the player’s MFA ID Number.

However for those clubs that wish to use other private physiotherapy centres, a discounted Tecar & Biodex Package is being offered. The package offers a maximum of 25 sessions which converts to twenty Euro (£20) per session.

Services under the Clinic Cover Scheme for season 2012/2013 may include also in-house medical consultation and/or physiotherapy treatment sessions.

Services available by appointment include:

- Sports Medical consultations (doctor)
- BIODEX (Isokinetic or Isometric functional testing & assessments)
- Clinic physiotherapy sessions
- Tecar therapy
- Sports-specific rehabilitation, including gym-based and field-based training (particularly in the rehabilitation post-surgery or major injury)
- Sports Injury prevention training
- Sports Massage
- Sports Taping

Joseph GAUCI
General Secretary

Enclosure:
Clinic Cover Scheme 2012/13 - Application Form

53
CLINIC COVER SCHEME 2012/2013

Application Form

Name of Club: ____________________________

Address: ________________________________

Date: ____________________________________

The Secretary
Malta Football Association
Millennium Stand, Floor 2
National Stadium
Ta’ Qali ATD4000

Dear Sir,

Our Club would like to subscribe to the Clinic Cover Scheme under the terms and conditions mentioned in MFA Circular No. XX/2012-2013 of the 23rd July 2012 and of which our Club is fully aware.

Our Club shall pay the amount due for this cover in two (2) equal instalments as follows:
⇒ 1st September 2012
⇒ 1st January 2013

We would like to subscribe for the:
☐ Premier & First Div. Clubs ☐ Second & Third Div. Clubs
☐ Other Clubs & Associations ☐ Tecar & Biodex Package

We thank you for your co-operation.
Yours Faithfully,

______________________________
Club Secretary
Appendix V

Transcribed Interview

Interview with the MRFU General Secretary

Name of Union: Malta Rugby Football Union
Position: General Secretary

Questions

1. What is the most common injury suffered by a player of this sport?

“I'd say it would be cosmetic injuries, secondly maybe would be ankles and ankle dislocation or tendons and stuff like that to do with the ankles. It's not as rough a sport as it looks.”

2. In the case of medical aid or emergency, is there an in-house medic/team?

Yes ☑️ No ☐

“There's a physio team and she's here during the games.”

3. Have there been any serious cases of injury or even fatalities in the past?

Yes ☑️ No ☐

“Fatalities no. Serious injuries we had one guy who hurt his neck four seasons ago and it was touch and go whether he was going to walk again, but he is now. But we had a scare of a serious injury.”

4. Upon application with the association, is insurance coverage:
a. Mandatory for coaches/trainers
   
   b. Mandatory for members
   
   c. Mandatory for teams
   
   d. Mandatory for professional players
   
   e. Mandatory when a member/team goes overseas
   
   f. Optional with fixed cover for all members or teams
   
   g. Optional and organised on an individual/team basis
   
   h. Not offered (must be taken out privately)

“It is not optional. They have to have insurance. It is included in the players’ registration with the MRFU. Unless they are registered with the MRFU they can’t play, and if they are registered it means they’ve paid their insurance. It is not mandatory for all members, only all players and coaches. It is mandatory for individual members, not as a team. We don’t have any professional players. We also send members and clubs overseas and they have to have insurance. Basically what we did, again, for seasons ago, we discussed it at the AGM and we gave them the option, we asked them “Would you like to have insurance”. Some said yes, some said no. We said, “If we do it it’s going to be for everyone”. So we took a vote and the majority said they wanted insurance. It is a medical insurance. Obviously we have one here for our contents and buildings, but for the players it’s a medical policy through GasanMamo. It’s a foreign insurance policy but we go through Gasan. Basically it covers medical bills and also loss of work. It gives you benefits to a certain extent.”

5. Does the association have third party liability insurance cover for anyone injured while on the premises?
   
   Yes [ ] No [ ]
“As far as I know we are not liable for accidents. I should imagine if there’s a fire or something we would be liable though.”

6. Does the association provide Professional Indemnity Insurance for the trainers/coaches?

   Yes ☐ No ☑

“No.”

7. Does the association facilitate the possibility to insure property/equipment within the premises?

   Yes ☐ No ☑

“We insure our property equipment but we do not facilitate the possibility for others to insure their equipment.”

8. Are there any plans for change in the future, regarding the mitigation of risk of injury and insurance procedures?

“At the moment no.”

Date: 16/02/2013
Appendix VI

Transcribed Interview

Interview with the MFA Treasurer

Name of Association:  Malta Football Association
Position:  Treasurer

Questions

9. What is the most common injury suffered by a player of this sport?

"Most common are knee injuries."

10. In the case of medical aid or emergency, is there an in-house medic/team?

Yes ☑  No ☐

“We have an in-house medical team which is composed of three or four doctors. There’s more than one physiotherapist, who are employed with us as well. Don’t forget we cater for the national teams. We have a clinic, which is well equipped with latest technology. For example we have two machines that are practically unique in Malta, nobody has them. It’s called the Tecar machine, a recovery machine, which is there to heal injuries etc. It is different from the usual ultrasound that you go and get done. Unfortunately I’ve had to use it myself because I hurt and believe me the recovery period is impressive. It costs about €30,000 each, but for us it is worth it as opposed to outsourcing all the medical needs. Most of the injuries, unless they are serious, are all catered for in-house. We don’t claim for those. We have a fully fleshed physiotherapy clinic and a rehabilitation centre.”
11. Have there been any serious cases of injury or even fatalities in the past?

Yes ☑ No ☐

“Fatalities thank God, no. But serious injuries yes, because all cruciate injuries, such as a tear in the cruciate, ligament tears or knee injuries are always serious because it will take at least 8 months for the player to come back. This season’s injuries included two from women, and around 6 injuries in total. Those are only national team players. In total on a national level there might be around 30-40 injuries a year. The artificial turf is a main cause of the injuries, but that’s just the way it is. Even abroad if you see, there are many cruciate tears. In my opinion the game has become more physical and players are now more prone to injury.”

12. Upon application with the association, is insurance coverage:

a. Mandatory for coaches/trainers ☐

b. Mandatory for members ☐

c. Mandatory for teams ☐

d. Mandatory for professional players ☐

e. Mandatory when a member/team goes overseas ☐

f. Optional with fixed cover for all members or teams ☑

g. Optional and organised on an individual/team basis ☑

h. Not offered (must be taken out privately) ☐

“It is not mandatory. We are trying to instigate the culture of all the players being insured. With this present administration, we have an insurance cover for all the national team players, whether they are playing with the national team or training or with their club. They could be playing a league game also. All the other players are not
insured. Every operation costs the association around €4,000-€5,000. For football, the way it is in Malta is a big sum of money. When you realise that the football teams in Malta live from hand to mouth. So we are trying to tell them to try [to get insurance]. I've offered them myself, to deal with the insurers myself and get them the best price for the MFA, because I have certain muscle when I go and deal with the insurance I don't only have the medical, I have the buildings, I have everything. So I ask the insurers to give me a better price for the players. The players are afraid that insurers will not pay for claims [because of various exclusions etc.] when the need arises. The biggest problem that the association has is a lack of funds. The association is more interested in spending money to buy new players than to protect the ones it already has. I came up with a proposal for insuring players. For example when a premier league is played, the clubs receive what is called ‘gate money’ and we have control over that gate money. So I proposed that I deal with the insurers myself and take the funds for insurance costs from the gate money. This is so that they will certainly pay. We are trying to instigate that culture. It’s not easy. Having said that, certain nurseries/ clubs, believe it or not, the small clubs, the lower divisions, are all for it and in fact yesterday someone contacted me and asked, “Can you deal with the insurers for me?” and I told him that its no problem. We offer this on a club basis.

Having said that, recently there was a players’ union and they made an insurance policy [independently of the association]. They went to another insurance company, which I personally do not agree with. I think that the cover that they got, compared to the price they paid, they should have spent a bit more money [with the cover and I suggested] and got the total cover that I had offered them. The culture abroad is different. Even if your son is still very young, he should even be stepping foot on the turf if he is not insured. Having said that, we would like to extend the policy to other players, but the MFA can’t keep forking out all the money. We offer our help to everyone, and they would have to pay themselves in that case. But the national players, meaning the older players, 21s, 19s, 17s, the women and the FUTSAL, they
are all insured under the association. I have around 250-275 players; it is not a joke. It is costing us quite a lot. This year alone it cost us around €40,000.”

13. Does the association have third party liability insurance cover for anyone injured while on the premises?

Yes ☑️ No ☐

“Definitely. We hold mass events here, and it is not a risk, which is very much in the insurance company’s appetite, because then there is the issue of reinsurance. Usually there will be certain exclusions for mass events.

We have the general business policies meaning:

- **Industrial All Risks policy**, for when accidents happen (such once a storm that hit damaged the LED’s and the rain caused a lot of damage, resulted in a claim of €50,000).
- **Third Party protection policy**
- **Other grounds – Sirens, HIBS clubs etc. These locations are all insured while clubs and teams of the MFA are playing games only.”**

14. Does the association provide Professional Indemnity Insurance for the trainers/coaches?

Yes ☐ No ☑️

“No, we don’t have that.”

15. Does the association facilitate the possibility to insure property/equipment within the premises?

Yes ☐ No ☑️
16. Are there any plans for change in the future, regarding the mitigation of risk of injury and insurance procedures?

“Yes, there are plans. The goal of this plan is that we try and cover more players. We try to make a type of exercise where, without taking too much funds out of the MFA, we attempt to help clubs by proposing for example to pay 25% of their insurance cover. That is the plan, but it will take a lot of convincing.”

Date: 16/02/2013
Appendix VII

From: Brenda Bonnici <brenda.bonnici@um.edu.mt>
Subject: UREC Proposal Form - Denise Farrugia
Date: 06 March 2013 13:49:59 GMT+01:00
To: Carmel Cascun <c.cascun@islandins.com>
Cc: SIMON GRIMA <simon.grima@um.edu.mt>, Nathaniel P Massa <nathaniel.massa@um.edu.mt>, Francis Debono <francis.debono@um.edu.mt>, Carl Camilleri <carl.camilleri@um.edu.mt>, Denise Farrugia <denfarrugia@gmail.com>

Dear Dr. Cascun,

During a meeting held on Tuesday 5th March 2013, the FEMA Research Ethics Committee has come to the conclusion that no ethical clearance is required in relation to the proposal submitted by Ms. Denise Farrugia with regards to her proposed research. Nevertheless it is important that you ensure that Ms. Denise Farrugia obtains all necessary consent forms in this regard.

You are kindly requested to inform Ms. Denise Farrugia accordingly.

Needless to say, please feel free to contact me should you require further information and/or any clarifications.

Kind Regards,

Brenda Bonnici
Administrative Assistant
Marketing Department, Room 431
Faculty of Economics, Management and Accountancy
University of Malta, Msida MSD2080, MALTA