

# PROTECTION REVIEW 2017

**Is it really all about the Claim?**

Eric Purdy

**All of the comments made today and all opinions are mine and may not necessarily be endorsed by any of my employers – past, present or future!**

**THE HEALTH WARNING**

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# Tom Baigrie is RIGHT

- ▶ at least that's what more than 80% of you think.
- ▶ - Protection Review Poll: “Is the claim, not the policy, our core product?”

THE UNNATURAL ACT

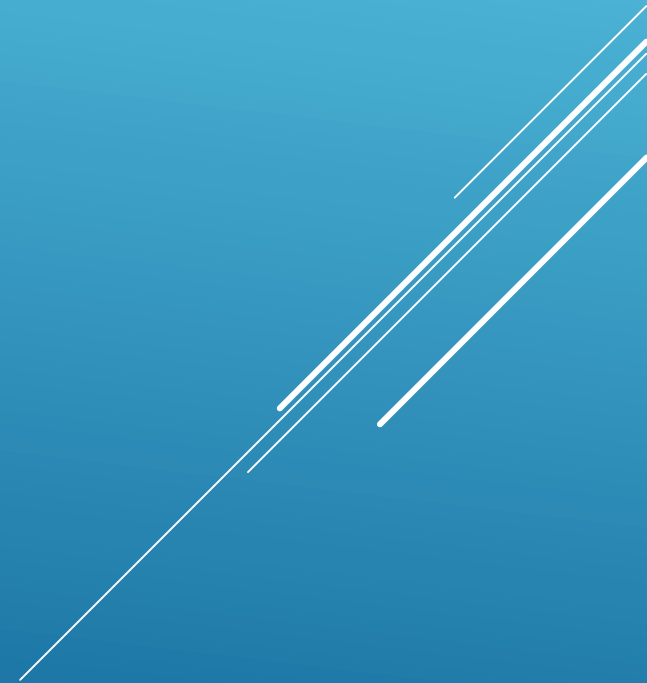
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Well ..... not really.

Its about a lot of other stuff too

- ▶ Product design
- ▶ Legal matters
- ▶ Regulation
- ▶ PR
- ▶ Everything but the claim!

IS IT REALLY ALL ABOUT THE CLAIM?



## Product development

- ▶ The “More Definitions” Arms Race to the top
  - ▶ God bless Alan Lakey and CIE!
- ▶ The “Cheapest Premiums” Dive to the bottom
- ▶ Incomprehensible Documentation
  - ▶ Plain English??
- ▶ KISS – revisit Carole Sargeant
  - ▶ Simple(r) products now gradually appearing
- ▶ Do we *really* know what the customer needs?
  - ▶ What about rehab as a mandatory requirement?
  - ▶ Getting back to work quicker

IS IT REALLY ALL ABOUT THE CLAIM?

# Legal Matters

- ▶ Who is the claimant?
- ▶ What documentation do we need?
  - ▶ Why do we need it?
- ▶ Probate
- ▶ Delays

IS IT ALL ABOUT THE CLAIM?

# Regulation

- ▶ FCA/PRA
  - ▶ Please remember that insurers are NOT banks
- ▶ FOS
  - ▶ Remit offends natural justice – “judge, jury and executioner”
  - ▶ Crass decisions lose it respect
- ▶ ABI
  - ▶ Trade Body or quasi-regulator?
- ▶ External
  - ▶ UK/EU: Brexit?
    - ▶ Does it matter to the claimant?

IS IT ALL ABOUT THE CLAIM?

## PR

- ▶ Industry PR is a basket case:
  - ▶ Huge amount of negative press
    - ▶ ABI Standards of Best Practice leak
    - ▶ Survey; 30% of respondents unhappy with the way they are treated when they need to claim.
    - ▶ Complete lack of trust in insurers.
  - ▶ **Only recent piece of good PR is the 7Families initiative**

IS IT ALL ABOUT THE CLAIM?



## Everything but the claim

- ▶ The claim itself is simple; you have either have had the event or you have not!
  - ▶ Subject, of course, to various other "interested parties" views/opinions
- ▶ So why has it gone so wrong?
  - ▶ Lack of investment ,development and care
    - ▶ Automated underwriting, why not claims?
    - ▶ Not "sexy"
    - ▶ An aspiration is to reduce the average time to settle a claim to less that 45 days.
      - ▶ **THIS IS NOT AN ASPIRATION – IT IS AN ADMISSION OF FAILURE!!**

IS IT ALL ABOUT THE CLAIM?

## ▶ How do we fix it?

- ▶ Automate the systems – if you can make a motor claim online why not a life or disability claim?
  - ▶ Make e-communication the norm
  - ▶ Keep the IFA involved
- ▶ Reduce the number of delays
  - ▶ Write as many new policies under trust and single life as the default option
  - ▶ Pro-actively obtain the evidence needed to process the claim
  - ▶ Involve the claimant from Day 1 and make them your advocate
- ▶ Go on to the attack and generate some good PR
  - ▶ **Put paid to the critics and the opportunists by making it work and then screaming it from the roof tops.**

**IS IT ALL ABOUT THE CLAIM?**

▶ *The only questions I have left are:*

▶ **WHAT ARE YOU GOING TO DO ABOUT IT?**

▶ **AND WHEN ???**

IS IT ALL ABOUT THE CLAIM?

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