

Monitoring

Fair Treatment of Customers

May 2018



Two key ways of monitoring fairness

Regular off-site analysis

- ... Use of half yearly MI submission
- ... Looks at both prudential and market conduct
- ... cheaper means of monitoring

Ad-hoc onsite investigations

- Ongoing mystery shopping exercise
- Interviews of customers and potential customers
- Very expensive

MI Template – used in regular monitoring

Claims information

| | |
|----|---|
| 26 | Value of claims paid |
| 27 | Value of withdrawals |
| 28 | Value of surrenders |
| 29 | Value of No claims bonus |
| 30 | Number of claims paid |
| 31 | Number of claims reported - Life (Non-credit) |
| 32 | Number of claims reported - Credit Life |
| 33 | Number of claims reported - Hospitalisation |
| 34 | Number of claims reported - Personal accident |
| 35 | Number of claims reported - Property |
| 36 | Number of claims reported - Agriculture |
| 37 | Number of claims reported - Critical Illness |
| 38 | Number of claims reported - Income protection |
| 39 | Number of claims reported - Multiple risks |
| 40 | Number of claims reported - Other |
| 41 | Number of claims rejected |
| 42 | Number of claims outstanding |
| 43 | Number of claims with suspected fraud |
| 44 | Number of claims in dispute |
| 45 | Average time(days) to pay claims after all documents are received |
| 45 | Average time(days) to pay claims after it being reported |



Tip –:

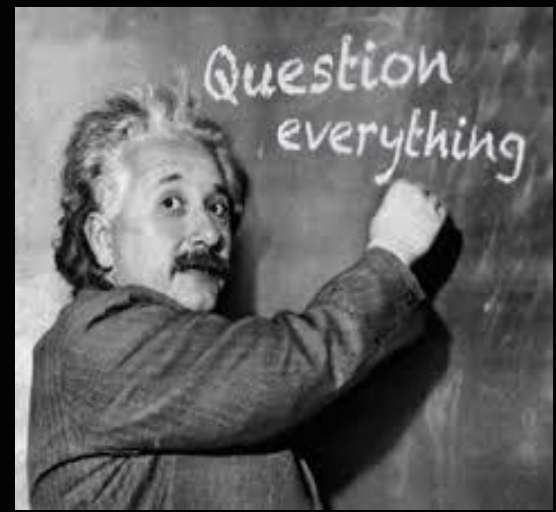
- Claim ratio – value of insurance – how much of premiums is being returned to policyholders
- Proportion of claims rejected
- Service times- quality of service
- How truthful are the insurers in the reporting

ToR for Research into MI and customer satisfaction

- Design and implement a **consumer survey** that measures awareness and understanding and assesses experiences and perceptions regarding disclosure and recourse.
- Design and implement a **mystery shopping** where consumers using or planning to use mobile insurance products through different channels seek to: Acquire a product; cancel a product; make a claim on a product; raise an inquiry; register a complaint; and/or do any other basic activities
- Assessment of **consumers' perceptions, awareness and experiences regarding fraud and cybercrime** (through focus groups and interviews).
- Assessment of consumers' awareness and understanding of **key product and service features, fees and other terms and conditions (through focus groups, surveys, interviews)**.
- Assessment of experiences that consumers have when **raising inquiries, complaints and disputes regarding Mobile Insurance products** or services (through mystery shopping, focus groups, interviews)
- **Review and assessment of different providers' internal policies, manuals, processes and practices** (materials will be shared by Research Team) addressing:
 - Transparency and **disclosure of information** to consumers at multiple stages of the product lifecycle and for different types of communication channels;
 - **Handling of consumer inquiries, complaints and disputes** associated with the use of financial products or services;



Questions



Thank you for your attention!