

Data management, claims and complaints



Topics covered

1. Data management
2. Claims management
3. Complaints management



1. Data management



- An insurer must have an ***effective data management framework*** that allows the insurer ***at all times*** to:
 - have access to data that is up-to-date, accurate, reliable, secure and complete;
 - properly identify, assess, measure and manage the conduct of business risks;
 - comply with all relevant legislation relating to confidentiality, privacy, security and retention of data;
 - comply with any regulatory reporting requirements; →
 - assess its liabilities under each policy;
 - adequately categorize, record and report complaints;
 - have access to any other prescribed data.

Conduct of business returns,
information requests etc.



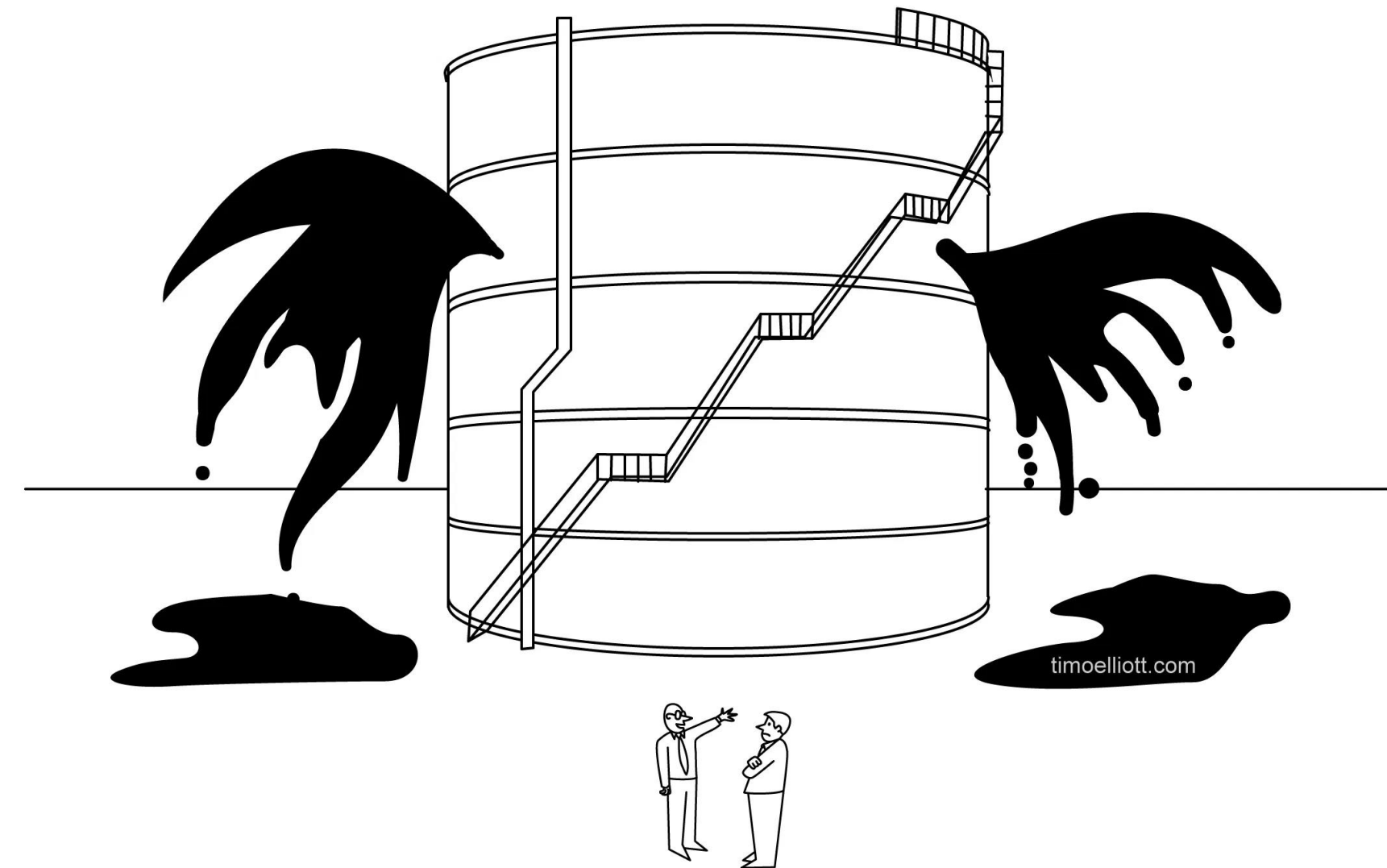


Data management *cont.*

- At the minimum an insurer must have:
 - names;
 - identity numbers;
 - and contact numbers of all policyholders.
- Contact details must be as ***complete as possible*** and where available include mobile number and e-mail address of the policyholder.
- Outsourced data processing...*insurer must be able to access such data at any time as and when required by the insurer.*



Data management *cont.*



“Data is the new oil? Absolutely—toxic if mishandled!...”

Source: <https://i0.wp.com/timoelliott.com/blog/wp-content/uploads/2018/02/data-is-the-new-oil-toxic-if-mishandled.jpg?ssl=1>

How do you make informed decisions without data????



2. Claims management

- Insurer must establish, maintain and operate adequate an effective **claims management framework**.
- The framework must be:
 - proportionate to nature, scale and complexity;
 - be appropriate for business model, policies, services, policyholders and beneficiaries;
 - allow claims to be assessed...after reasonable steps to gather and investigate all relevant and appropriate information;
 - not impose unreasonable post sale-barriers to claimants.
- *The framework has to consider the Rules relating to the time periods for assessment of microinsurance and funeral claims.*





Claims management *cont.*

The claims management framework must at the least provide for:

- Proper allocation of responsibilities;
 - Appropriate performance standards and remuneration and reward strategies;
 - Documented claims “**end-to-end**” process with time-frames;
 - Process for **interest** payment for delayed claims;
 - Proper record keeping, monitoring, analysis and reporting to **executive & board**;
 - Appropriate **communication** with claimants and their authorised representatives;
 - Compliance programme to combat fraud and money laundering appropriate to insurer’s exposure and vulnerabilities.
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Claims management *cont.*

Prohibited claims practices:

- Dissuading claimant from using attorney or adjuster;
- Denying claim without conducting reasonable investigation;
- Denying claim solely due to outcome of polygraph, lie detector, truth verification or similar tests.

PROHIBITED



3. Complaints management



- Insurer must establish, maintain and operate adequate an effective **complaints management framework**.
- The framework must be:
 - proportionate to nature, scale and complexity;
 - be appropriate for business model, policies etc.;
 - allow complaints to be considered...after reasonable steps to gather and investigate all relevant and appropriate information;
 - not impose unreasonable post sale-barriers to complainants.



Complaints management *cont.*

The complaints management framework must provide for:

- Proper allocation of responsibilities;
- Appropriate performance standards and remuneration strategies;
- Documented complaints management process;
- Proper escalation, decision-making and oversight;
- Proper record keeping, monitoring, analysis and reporting to **executive & board**;
- Communication with complainants and their authorised representatives;
- Engagements with the relevant ombud;
- Process of managing complaints relating to service providers.



Complaints management *cont.*

At a minimum the “***complaints register***” must include the following categories:

- the design of a policy or related service, including the premiums or other etc;
- information provided to policyholders;
- advice;
- policy performance;
- service to policyholders, including complaints relating to premium collection or lapsing of policies;
- policy accessibility, changes or switches;
- complaints handling;
- insurance risk claims, including non-payment of claims; and
- other complaints.



Complaints management *cont.*

Data fields to be maintained on complaints:

- number **received**;
- number **upheld**;
- **rejected** and reasons for the rejection;
- **escalated** by complainants to internal complaints escalation process;
- referred to an **ombud** and their outcome;
- number and amounts of **compensation** payments made;
- number and amounts of **goodwill** payments made; and
- number of complaints **outstanding**.



THANK YOU