

Case study

Totally Insured Group

Key Facts

- 1. New service for impaired risks launched**
- 2. Customers who would otherwise not get cover do so**
- 3. Brokers are relieved of the hassle of pursuing difficult cases**
- 4. Providers increase volumes and are insulated from high acquisition costs**
- 5. Process similar to annuities**

Totally Insured Group (TIG) specialises in impaired protection business (mostly life and CI). They receive business referrals from specialist affiliates and from particular website marketing channels. TIG focuses on collecting leads from people who believe they cannot get insurance due to difficult medical conditions, hazardous occupations or sports.

For Brokers who do not have the necessary in-house specialised facilities for complicated protection cases, they pass them to TIG and share the commission. This reduces the Broker's workload considerably, whilst shortening the time it takes to get cases on risk.

TIG already have many of their clients signed up for the service, including clients of Threesixty Services, Insurancewide and members of the In-Partnership network. A number of enquires are also received from charity websites including the British Heart Foundation.

In the traditional model, brokers acquire the sales, but pass the cost of collecting medical evidence on to the Provider. The Provider has no prior indication as to whether they will be able to offer cover and, ultimately, cannot recover these costs. The result of this process is Providers become exposed to high medical evidence costs regardless of the rates of completion, with little influence as to whether the case will continue.

In this new model, TIG pre-qualifies the case and collates the medical evidence upfront, with a full MorganAsh nurse Tele-interview,

"This is a specialist area of the market, which advisers often feel they are excluded from due to the difficulty in obtaining cover. Being able to refer cases on to TIG allows our client firms to offer the possibility of life cover to a much wider selection of their client base with remarkably little effort. We believe that this is an important part of TCF".

David Ingram; Partner, Threesixty services LLP

MorganAsh

Totally Insured Group

giving an invaluable insight to underwriting prior to application. As TIG initially pay for the costs of the Interview, they are motivated to minimise these costs and ensure cases submitted proceed.

The TIG process for Impaired Life and CI is similar to that operated for impaired annuities, where an interview is undertaken, and then several Product Providers are asked to price on it, before continuing.

Providers simply access the secure MorganAsh on-line systems to review the full Tele-interview report, and listen to the interview if required. They then give an indicative underwriting decision.

The process has several distinct differences to the models pursued by Special Risk Bureau and Risk Placement Services who both failed to make a commercial success in this same impaired risk sector. Primarily the Tele-Interviewing and prequalification minimises the abortive underwriting and medical evidence collection required in these models,

"I think this is a significant step forward in the way impaired life cases are dealt with and it ticks the TCF box for all concerned....Totally Insured Group (TIG) and MorganAsh have a real winner here that even helps to reduce costs to the insurance companies whilst shortening the time it takes to get cases underwritten."

Matt Noble; Senior Relationship Manager,
Webline, Capita Financial software Ltd

"The lot of the customer who is not acceptable at ordinary rates (an increasing number given UK premium rates) has deteriorated, as less emphasis is being placed on non-standard risks. This initiative looks likely to overcome the problems that beset previous ventures in this area, as it has a more robust methodology and can profit from the lessons learned by the pioneers in this important market-space."

Peter Le Beau; le beau visage.

thus providing a far better return for Product Providers.

"More and more the consumer who has a medical problem, or the IFA with such clients, has found it harder to gain the cover they require. Research has shown that this is in the region of 30% of applications. Adopting MorganAsh Tele-Interviewing at the beginning of the process means we can present providers with the full medical information, speeding up the process and ensuring these consumers get the cover they require, at a price that has been agreed with the client in advance and is affordable."

Ron Moonesinghe; CEO of Totally Insured Group.

Impaired Risk Services is a trading name of Totally Insured Group Ltd which is authorised and regulated by the Financial Services Authority.

www.impairedriskservices.co.uk

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