



## **25 Ways to Reduce Non-Disclosure**

## **Synopsis**

MorganAsh are pioneers of Tele-underwriting in the UK and are Tele-interviewing for many of the leading protection providers. Cognitive interviewing techniques have been scientifically demonstrated to produce better results and memory recall than simply asking questions. The MorganAsh Tele-interviews regularly obtain 70-80% more information from applicants than traditional application form and electronic approaches.

This paper explains many of the techniques adopted by MorganAsh to reduce non-disclosure. All these techniques can be adopted in Tele-interviewing some of them can be adopted in other information collection approaches, such as point-of-sale (POS) systems or paper form approaches.

### **1. Keep the interviews independent from the sale process**

MorganAsh Tele-interviews are undertaken separately from the sales process. This removes the conflict of interest experienced by agents and advisor organisations undertaking both tasks. The incentive to sell to maximise product sales is in direct conflict to encouraging full disclosure of information.

Separation of the sales and information collection greatly reduces the risk of non-compliant advice practices, such as:

*“You don’t smoke do you”!*

### **2. Interview joint lives separately**

MorganAsh strongly advise that joint lives are interviewed separately. Deceit between partners is common place, and this is unlikely to be broken for an insurance application. Ladies quite often do not discuss gynaecological problems with their partners and sexually transmitted diseases are often only privy to one partner.

### **3. Record all interviews and conversations for a complete Audit trail**

Every MorganAsh Tele-interview is recorded. This has an important effect on the applicant as they are told they are being recorded at the commencement of the interview, and hence encourages honesty.

The recording provides a legally defensible unambiguous record of the interview process. This can be replayed at a claim situation, providing quick determination of what actually was disclosed, resolving contentious claims.

MorganAsh

#### **4. Use both a carrot and stick approach to interviewing applicants**

MorganAsh adopt both a carrot as well as a stick approach. Traditional processes have only adopted a stick approach, threatening applicants with void claims if they do not disclose completely. MorganAsh adopt several techniques to help and assist the consumer to remember and disclose all relevant information.

#### **5. Help the applicant to remember**

MorganAsh Tele-interviews deliberately prompt for the same information asking different questions. People's memories respond to different prompts, and MorganAsh assist the consumer by prompting different memory boxes:

- Days off work
- Seen GP
- Seen specialist
- Claimed on private medical insurance
- Holiday accident
- Sleep pattern

#### **6. Build rapport with advanced conversation management**

Good rapport leads to trust and greater disclosure. Rapport requires a two way conversation, with both parties contributing to the conversation. Rapport itself is dependent upon the many aspects of speech and conversation management including:

- Features of speech
- Tone, pitch, intonation, stress & pace
- Pauses, repetition, re-starts, interruptions
- Interactive & facilitative
- Two way discourse, tagging questions
- Re-assurance by confirmation
- Assertive not confrontation

Trust and rapport depend on:

- Setting the scene
- Listening with empathy
- Managing any ambiguity
- Helping with interpretation
- Helping them to remember
- Asking questions in a manner to suit the applicant in different ways
- Contributing to the conversation

Good rapport requires a Tele-interviewer with a reasonable knowledge of the topic, and an ability to deviate from the script to suit the applicant. This approach to building rapport leads to greater disclosure and a more enjoyable customer experience than simply filling in the form over the phone.

***“It's the way it is said – not what is said.”***

## **7. Treat each customer as an individual - be flexible and adapt for each customer**

Traditional application processes send every applicant the same paper form. This in itself sends a message to the applicant, that they have to conform to the standard process and they are not being treated as an individual. This is not flattering to the applicant and does not endear them to the life company or encourage them to disclose essential details. MorganAsh make the interview fit the customer. Each interview is tailored for each applicant. As no two people are the same, then no two interviews should be the same.

- Each interview is adapted to the customer's language and understanding
- The customer is guided through the amount of detail that they need to provide
- Questions are asked in layman's terminology, interpreting between colloquial and technical medical terms.
- The interview is tailored to suit the consumer's medical knowledge, avoiding complex medical jargon, and interpolating slang layman's terminology
- Any ambiguity is clarified in real-time
- The approach is flexible enough to capture volunteered information
- Only the appropriate relevant questions are asked
- Interviews are tailored for the gender, conditions and age of the applicant

## **8. Create a pleasant interview experience at a time to suite the applicant**

All interviews are undertaken at a time to suit the applicant, when they have the time and they are in the right frame of mind. In the traditional paper and electronic application process, the medical questions are posed after a lengthy sales and advisory session, and often the applicant is already weary and inattentive at this stage.

## **9. Manage the conversation**

MorganAsh Tele-interviewers are trained in conversation management to manage the interview while giving a polite experience. Interviews are:

- Assertive but not condescending
- Facilitative
- Friendly
- Polite
- Non confrontational
- Genuine through specialist knowledge
- Logically led from topic to topic
- Curtailed to avoid unnecessary verbosity
- Persistent for information

Where appropriate, the reason why the information is required is given. The applicant is reassured when they give information that this is the correct thing to do which, in turn, encourages them to give more information.

### **10. Do the work for the customer – don't dump the work on the customer**

A fundamental principle for the MorganAsh interview is to make the interview as pleasant an experience as possible. MorganAsh interviewers are cordial to the customer, and help them through the Tele-interview process, undertaking all the work for the consumer. This is different to on-line point of sale approaches, which expect the applicant or the advisor to do all the work.

### **11. Take responsibility for what information should be collected**

The traditional application process includes extensive application forms, with the last pages containing extensive legal disclaimers. This approach lays the responsibility for providing the appropriate information with the applicant, although it is known that these legal pages are rarely read. This is fundamentally unfair, as the applicant (or the intermediary advising them) does not know what the appropriate information to disclose is. The MorganAsh approach takes the responsibility for what information is required at this application stage, informing the applicant when further information is required.

### **12. Give clear and unambiguous warnings for non-disclosure**

In a similar manner to traditional application forms, clear warnings are given for non-disclosure. These are repeated at salient points during the interview to engender honesty. Applicants are informed of:

- The consequences of non-disclosure
- Their continuing duty of disclosure

Additionally, subtle conversational techniques are used to intimate warnings and reminders using pauses and tone of speech, as well as the words themselves.

- “If we were to write to your doctor”
- “This conversation is being recorded”
- “Are you sure? It is important”

It is the tone and manner in which these words are used that makes this approach effective.

### **13. Validate information already received**

The MorganAsh approach is to validate the information that has already been received in the application process. This is in direct contrast to the Straight Through Processing approach that believes everything already received. MorganAsh continually demonstrate that this approach reveals

greater information and disclosure than simply believing all the previous information.

#### **14. Use questions designed and suitable for the media they are asked in, verbal, internet or paper.**

Due to the migration from application forms and point of sale systems to Tele-underwriting systems, many companies are intending to use existing application forms or point of sale questions over the phone. As we talk differently to the way we write, then questions for the verbal interactive medium for the phone should be different to an internet page or static application form.

MorganAsh's question set is tailored specifically for the advanced interactive interviewing, and for being printed and sent to customers on completion.

- Questions and rules for decisions are different
- Questions are designed to get best information
- Different questions are used for verbal or internet interfaces
- Different automated rules are used in line with the different quality of information from different collection approaches.

#### **15. Create an environment in which sensitive issues are discussed**

Many applicants have sensitive medical issues which they would otherwise not discuss face to face with an advisor. These may include:

- Suicide and self harming
- Gynaecological issues
- Psychiatric conditions
- Sexually transmitted diseases
- Bereavement of parents or siblings
- Drug abuse
- Stress and anxiety problems

Tele-interviews are undertaken with someone the applicant can not see. Good Tele-interviewers build a rapport to create a comfortable environment in which these issues may be discussed.

#### **16. Ask reflexive questions that are relevant to the applicant**

If the questions asked are dependent on the individual applicant and their conditions, then the questions can be more appropriate, providing good detailed questions and it keeps the applicant interested as the interview is relevant to them.

#### **17. Use open ended questioning to encourage disclosure**

Open ended questioning, encourages applicants to open up and disclose information. Many IT led Tele-underwriting initiatives only adopt closed questions, thus missing the opportunity to capture important information. Closed questions are good for confirming what is known, open ended

questions lead to what is not known. All open questions must be followed by more detailed questions to focus in on the particular complaint and to record this in a consistent manner.

### **18. Maximising the human interaction**

Many IT driven Tele-underwriting initiatives are focused on consistency between questioning, and deliberately remove any intuitive human interactivity. This approach loses a great opportunity – to engage and interact with the applicant. Humans and IT systems bring different attributes to the Tele-interview; humans are good at fuzzy logic, rapport and conversation, while IT systems provide consistency, persistency and recording of the interview. Good Tele-interviewing makes the most of both of these capabilities. MorganAsh use the interviewer as an integral part of the process, for example:

- Information is validated as it is received
- Occupations and their associated risks are explored interactively rather than relying on an exhaustive list of occupations
- Knowledgeable interviewers make the correlation between medicines to conditions, and when and when not this should be made.
- Clarification is sought interactively, depending on the severity and/or accuracy of the information provided.

### **19. Assess each conversation professionally**

MorganAsh have pioneered an assessment by the Tele-interviewer at the completion of the Tele-interview on aspects of the interview, which are not captured in the normal responses. These include:

- An assessment of the applicant's knowledge of their conditions
- An assessment of the applicant's adherence to medical advice

These assessments are then used to assist the underwriter to decide when to apply for further medical information.

### **20. Audit interviews in a continuous learning loop**

The voice recoding is a terrific audit tool enabling performance to be analysed at any time. MorganAsh randomly audit interviews depending on the experience of the interviewer. Equally, it is a highly beneficial learning tool, enabling mistakes to be played back to the interviewer to assist in training.

### **21. Implement On-line lie detection**

On-line lie detection capabilities enhance the ability to detect dishonesty at the time of the interview. This enables the Tele-interviewer to increase the warnings appropriately, as well as cross checking and repeating issues of concern. In addition, this detection enables further medical information to be ordered, to cross check what was collected at the application stage.

## **22. Maintain consistency across interview/internet sessions with expert systems**

Standardised question sets and workflow software enable a consistent interview to be performed each time. Strict process controls can ensure consistent quality is attained. An integrated audit programme ensures the human element is equally consistent.

## **23. Collect and learn from Management Information with expert systems**

Expert systems give the ability to collect and integrate Management Information on large quantities of data. The prevalence of disclosure against individual questions can be assessed, and changes made to questions, question approaches, the positioning of questions, training for individual Tele-interviewers, and how these are rated in a continuous learning loop. Comparative audits with GPR's are from claims situations are encouraged.

## **24. Focus on the applicant's answers, not the questions – listening is just as important as talking**

Many process led initiatives focus entirely on the question sets. However, what the applicant says is more important than what is asked. Listening is just as important as questioning. Many times the responses and the way they are spoken lead to further enquiries and further information. This is advanced conversation management and a subtle, but important, technique in reducing non-disclosure.

## **25. Manage customer expectations**

MorganAsh encourage the management of the customer's expectations, informing them at the close of the interview on what will happen next, and the approximate time this will take. If appropriate, the applicant can be informed that they are on cover at this stage.

## **26. Deploy capable Interviewers**

To achieve the principles above is not an easy task and highly trained and capable Tele-interviewers and capable and flexible systems are required. For in-depth quality driven Tele-interviews, MorganAsh recruit from the nursing community, as these personnel have the many capabilities to deliver the requirements detailed above. More economical customer service agents can be deployed, and this may be cost/beneficial for applicants of low ages and low sum assured.

## **27. Independently audit the sales channel**

The Tele-interview is an excellent audit channel, as it is independent and direct to the consumer. It can be used to cross check on any aspect of the advisor sale on a permanent, temporary or random sample basis.

Furthermore, this approach can audit what the customer understands, as opposed to what they have been told.

## **28. Applicant can review and sign their interview responses**

A good option is to send the completed Tele-interview report to the applicant for checking on completion of the interview. This has the advantage of giving the applicant more time, and a second chance, to recall any conditions they may have missed during the interview. Also, reading the report in writing as part of their insurance contract may prompt some individuals to disclose information they would otherwise withhold. MorganAsh recommend this approach.

This report may require a wet signature, or x days for acceptance. It should also include reminders for honesty and continuing duties of disclosure.

## **Conclusion**

The above details many of the aspects of good Tele-interviewing and how MorganAsh are using these to dramatically improve disclosure. Reducing non-disclosure at application is obviously good for the insurance companies, and the re-insurers in improving the risk profile of the insurance book. It is also important in reducing the risk of a contentious claim in later years and reducing the customer's expectation gap.

The following table lists the issues detailed above and compares them against the various ways information is collected in the industry. Worryingly the weakest approach is to use advisors completing point of sale system on-line which is the most prevalent approach presently being adopted in the industry.

MorganAsh

**Effect on disclosure by different information collection approaches.**

	Trad. paper	POS by applicant	POS by Agent	Forms over the phone	Tele-Int. by CSR	Tele-Int. by nurse
<b>Keep the interviews independent from the sale process</b>	x	✓	x	✓	✓	✓
<b>Interview joint lives separately</b>	x		x		✓	✓
<b>Record all interviews and conversations</b>	x		x	✓	✓	✓
<b>Use both a carrot and stick approach to interviewing applicants</b>	x	x	x	x	✓	✓
<b>Help the applicant to remember</b>	x	x	x	x	✓	✓
<b>Build rapport with advanced conversation management</b>	x	x	x	x		✓
<b>Treat each customer as an individual - be flexible and adapt for each customer</b>	x	x	✓			✓
<b>Create a pleasant interview experience, time to suite applicant</b>	x	✓	✓	✓	✓	✓
<b>Manage the conversation</b>	x	x	x	x	✓	✓
<b>Do the work for the customer – don't dump the work on the customer</b>	x	x	✓	✓	✓	✓
<b>Take responsibility for what information should be collected</b>	x	x	✓			✓
<b>Give clear and unambiguous warnings for non-disclosure</b>	✓	✓	x	✓	✓	✓
<b>Validate information already received</b>	x	x	x	x	✓	✓
<b>Use questions designed for verbal interviews</b>	x	x	✓	x	✓	✓
<b>Create an environment in which sensitive issues are managed</b>	x	✓	x	x		✓
<b>Use reflexive questions that are relevant to the answers</b>	x	✓	✓	x	✓	✓
<b>Use open ended questioning to encourage disclosure</b>	x	x	x	x		✓
<b>Maximising the human interaction</b>	x	x	✓	x	✓	✓
<b>Assess each conversation professionally</b>	x	x	x	x		✓
<b>Audit each interview in a continuous learning loop</b>	x	x	x	x	✓	✓
<b>Implement On-line lie detection</b>	x	x	x	x	✓	✓
<b>Maintain consistency across interviews/internet session</b>	x	✓	x	✓	✓	✓
<b>Focus on the applicant's answers, not the questions – listening is just as important as talking</b>	x		x	x		✓
<b>Manage customer expectations</b>	x	✓	x	x		✓
<b>Deploy capable Tele-interviewers</b>	x	x	x	x		✓
<b>Independently audit the sales channel</b>	x	x	x	x	✓	✓
<b>Applicant see and signs their interview/session responses</b>	x			✓	✓	✓

MORGANASH