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British Friendly becomes first insurer to release a decade of claims data

Friendly Society paid 96.7% of all claims over last ten years

British Friendly today announces that it has paid 96.7% of all Income Protection claims since 2006, becoming the first insurer to publish a decade of claims statistics. The friendly society's figures give an interesting insight into the profile of people who claim on the insurance, which replaces a pre-agreed amount of the policyholder's salary when they are unable to work due to illness or disability, potentially until retirement.

The most common reason for claims is orthopaedic/musculoskeletal conditions (30%) followed by viral illness/respiratory (20%) and psychiatric/mental health conditions (10%) that, together, have made up 60% of claims over the decade.

The figures also show details of the age and gender profiles of claimants. Overall, men account for 56.8% of all claims, while the most common age range for a claim is 50-59 years for both males and females.

Year by year breakdown of figures:

Year	% of claims paid		Year	% of claims paid
2006	96.8		2011	97.8
2007	96.2		2012	96.9
2008	96.2		2013	96.2
2009	96.6		2014	96.7
2010	96.2		2015	97.8

To coincide with the launch of their figures, British Friendly has launched a video on their website that explains the claims process. It shows how the insurer assess claims and why it sits at the centre of their ethos. The video is viewable here: advisers.britishfriendly.com.

British Friendly client David Perry, 51, claimed on his Income Protection policy in 2011, for sciatica and was unable to work in his job as a car salesman.

“My main reasons for choosing British Friendly were that the company seemed large enough to handle the risk, yet small enough to be personal in their approach. It has proved to be one of the best decisions I have ever made,” **said David**. “I don’t know how my family and I would have managed without the income I received from British Friendly while recovering from sciatica. Until something like this happens you never think you will need it. British Friendly has always been professional yet always shown appropriate empathy.”

Commenting on the claims statistics, Iain Clark, Marketing and Distribution Director at British Friendly, said: “We believe that paying claims is the primary thing that an insurer does and, by paying 96.7% of claims over a decade, British Friendly has proven that Income Protection does exactly what the customers need it to do – pay claims. Our survey in May showed that only 2% of respondents believe Income Protection claims are paid more than 90% of the time by the UK’s top insurers, yet the policy really does pay out that often. As our figures show, when you buy Income Protection, you can be assured that this is a product that delivers. By publishing this information we hope it will help to change consumer perceptions.”

Tom Conner, Director at adviser Drewberry Insurance, said: “British Friendly’s data is great news for everyone who knows that Income Protection is probably the most important insurance policy a working person can own. From our annual consumer research we know that consumers still distrust insurers and vastly underestimate the amount of claims that are paid out. People believe that insurers look for reasons to avoid paying claims and so we need to tell them as often as possible, not only that these policies are important to have, but that they really do deliver what they promise.”

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Media enquiries

Matthew Morris, Carr Consulting & Communications Mob: 07717 420693
Kevin Carr, Carr Consulting & Communications Mob: 07887 838811

Notes to editors

About British Friendly

Founded in 1902 to provide sickness benefits for Commercial Travellers, British Friendly has over a century of experience of “being there when our members need us most”. Based in Bedford, British Friendly is one of the larger UK Friendly Societies with £90m in assets. As a mutual we exist solely for the benefit of more than 17,000 members and have no shareholders to whom we need to pay dividends.
www.britishfriendly.com