

January 8, 2016



British Friendly becomes first insurer to release 2015 claims data

British Friendly has announced that it paid 97.8% of Income Protection claims in 2015, becoming the first insurer to publish their claims statistics for the whole of 2015. Last year British Friendly were, once again, the first insurer to release claims statistics and paid 96.7% of all Income Protection claims in 2014. The insurer also announced their five year claims data last year, paying over 96% of Income Protection claims on average from 2009-2014.

The top three reasons for claiming in 2015 were:

- Musculoskeletal conditions - 36% of paid claims
- Viral/respiratory illness - 18% of paid claims
- Psychiatric conditions - 11% of paid claims

Other reasons for claiming in 2015 included digestive (8%), cardiovascular (4%), neurological (6%), cancer (3%), rheumatological (1%) and optical (1%) conditions. The age bracket with the most claims was between 50-59 years.

The precise breakdown of paid/declined figures for 2015 are as follow:

- 97.87% paid
- 2.13% declined (non-disclosure 1.01%, not meeting the definition 1.12%)

Commenting on the new figures, Iain Clark, Marketing and Distribution Director at British Friendly, said: "We feel we're leading the industry in the application and claims process for Income Protection. Overall it's been a good year for the product. The Seven Families campaign has raised awareness among advisers and the general public and, according to Gen Re, sales for H1 2015 were up 16.3% on the same period in 2014. We have a lot of exciting plans for 2016 that will continue to help innovate, grow and raise awareness in the protection market. For British Friendly, the most important role of an insurer is paying claims, and that is why we pride ourselves on achieving excellent paid claims stats and releasing them quickly.

“Our survey of self-employed consumers in May revealed that, when asked ‘Which one, if any, of the following features is/ would be the most important to you when looking to purchase these types of [Income Protection] insurance?’ 31% said knowing there is a good chance of a claim being paid. This was the most important reason for choosing an Income Protection product, beating price (26%) into second place.”

Iain Clark added: “Many more consumers could be prepared to purchase Income Protection if only our industry can improve the way we communicate the message that these policies really do pay out.”

Mark Dennison, Principal at adviser LightBlue UK, said: “British Friendly has become the market leader when it comes to releasing excellent paid claims data before anyone else. We know that Protection still suffers from distrust among the public and we shouldn’t shy away from continually making a noise about the amount of claims that are paid and the number of people who are saved from financial difficulties as a result. British Friendly has great paid claims results and the insurer is transparent enough to make the figure available quickly year after year. Ultimately this is what the client cares about the most.”

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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