The Actuarial Profession making financial sense of the future

Current issues in healthcare 'The future for CI and IP'

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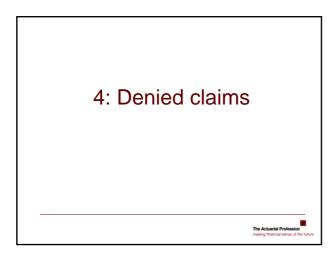
2: Sales of protection products

	2004	2005	2006
Income protection	162,061	147,285	130,365
 Critical illness 	736,671	632,285	583,891
•Source: Swiss Re Term and Health	Watch 2007		
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3: Points to consider

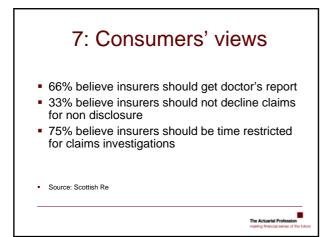
- Denied claims
- Back dating
- Non disclosure
- Problems with administration
- Innovations









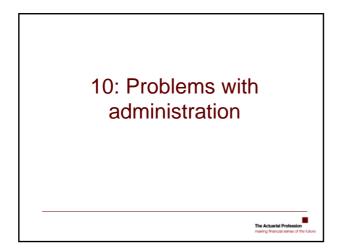


8: Definitions of non disclosure

- Deliberate
- Reckless
- Innocent
- Inadvertent

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Insurer	Claims paid%
BUPA (Jan-June 07)	80.3
Friends Provident (2006)	81.3
Legal & General (2006)	83.3
LV (2006)	81.4
Norwich Union (Jan-June 07)	86.0
Scottish Equitable (Jul 06-June 07)	80.0
Scottish Provident (2006)	80.3
Scottish Widows (Oct 05 – 06)	84.0
Skandia (1991 – June 07)	89.0
Standard (2006)	92.5
Average:	83.8
Source: Lifesearch	



Insurer	Ave time (days) for processing:			
	Life cover	CIC	IP	
Axa	15	14	22	
Royal Liver	16	26	n/a	
Friends Provident	19	38	41	
L&G		20	90	
Norwich Union	23	26	n/a	
LV	27	54	36	
Scottish Equitable	30	19	n/a	
Bright Grey	46	41	20	
BUPA	n/a	30	49	
Source: Lifesearch				



