

Managing public perception is one of the biggest challenges during the claims management process. “For this reason, it is imperative to empower claimants by guiding and educating them throughout the life time of their policy and, as such, during the entire claims process,” says Berna Hattingh, Claims Specialist at Centriq Insurance.

Hattingh, who was recently acknowledged for her commitment to service excellence in applying the principles of fairness and equity in dealing with the Office of the Ombudsman for Short-term Insurance (OSTi), adds that ongoing and transparent communication - particularly during the claims management process - is a vital tool for building consumer confidence in the insurance industry as a whole. “With that said, I believe that a lack of consumer confidence, among others, causes some claimants to inflate their claims because they find it difficult to believe that the insurer will act in their best interest.”

“By reminding claimants that it is in the best interest of the insurer and other role players such as brokers or underwriting management agencies (UMAs), for example, to operate with integrity because they are registered as financial services providers (FSP) under the FAIS Act and the Short Term Insurance Act, which makes them accountable for their actions; clients’ minds can be put at ease that their claims *will* be paid if their loss is covered and the claim is valid in terms of their policy agreement, terms and conditions; and that the principles of equity and fairness *will* be applied throughout the claims management process.”

Hattingh says that claims specialists should also take the claimant’s circumstances into account. “The claimant may have been traumatised by the event he or she is claiming for; and for this reason, should be treated with utmost empathy; even more so when the claimant suffered a big financial and/or emotional loss.”

From an operational point of view, Hattingh highlights the importance of having all the correct facts and figures at hand, and educating all industry role players involved e.g. assessors, UMAs or brokers on the exact route that needs to be followed during the claims management process.

Centriq, for example, follows a 3-tier approach when it comes to the repudiation of claims in order to apply the principles of equity and fairness at all times. Once a UMA, for example, has made the decision to submit a claim for repudiation, the claim is submitted to a claims specialist for validation and verification. Should the company not be able to accommodate the claim, lawyers are consulted (especially where large amounts are concerned) to verify and confirm the repudiation.

In general, however, Hattingh adds that the most effective way to prevent and mitigate the non-payment of claims, is for insurers to ensure that all the associated risks and rewards are taken into account during the product development and underwriting stage – which means that all the departments need to work closely together - while client liaison executives, financial intermediaries etc. should encourage policy holders to regularly check their policy schedule for items and amounts insured, taking into consideration the exclusions and preconditions that apply to the insurance contract.