

# Individual protection claims report

Spring 2019



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# Introduction

We all think that nothing will happen to me,  
until it does.

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Together with  
advisers, we're in a  
unique position to  
help more people get  
financial protection,  
helping them when  
bad things happen.

”

When you're busy with the hustle and bustle of everyday life, it's easy to put thoughts of protection to the back of your mind. After all, nothing's going to happen to me... right? And before I started to work in Aviva's claims team I felt exactly the same.

I knew I needed enough to cover my mortgage – but that was it. I didn't want to spend any more money on insurance when I could be spending it going out with a friend or buying a new pair of jeans. Besides, I was still young and fit and healthy. Maybe when I was older I'd consider protecting myself and my family – but that could wait.

Then, after working in claims, my perspective changed completely – and I realised that waiting was a bad idea.

One of the first claims I remember was a mother in her late 30s, who'd been diagnosed with a terminal brain tumour after collapsing on holiday with her family. When she'd woken that morning, she'd felt fine – but in a few short hours their lives were changed forever.

In 2018 we paid over £957m to more than 26,000 customers. 13% of all our Critical Illness claims were made by customers under 40. We also saw an increase in children's cover claims, too, paying out 264 claims for under 18s – the highest figure we have seen so far. Because as little as we like to admit it, the fact is that illness and death can hit families at any time.

Of course, there are things we can all do to reduce our risks of illness and to help us to live a long, healthy life. But it's not all within our control. In fact, the only thing we can control is making sure that should the worst happen our family is financially protected – so that money is one less thing to worry about.

Advisers and us as providers are in a unique position to be able to help more people get that protection – helping them when bad things happen.

**Jacqueline Kerwood**

Claims Philosophy Manager, Aviva

“

As little as we like to admit it, the  
fact is that illness and death can hit  
families at any time.

”

# 2018 - at a glance



## The headline figures

Number of claims paid to customers	Life insurance (including terminal illness)	Critical illness (including children's benefit and total permanent disability)	Fracture Cover	Income Protection*	TOTAL
	16,178	4,930	951	4,049	26,108
Amount paid out	£563m £562,714,372	£354m £353,869,957	£3m £2,771,500	£38m £38,159,705	£957m £957,515,535

We've included explanations about how these products and options work throughout this report, along with reports of real-life situations where we've been able to help customers who have found themselves in difficult circumstances. Your financial adviser will be able to tell you about our products, their benefits and what you need to consider.

## Our consistent track record in paying claims

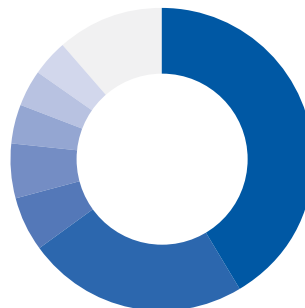
	Percentage of life insurance claims paid (including terminal illness)	Percentage of critical illness claims paid (including children's benefit and total permanent disability)	Percentage of income protection claims paid
2018	98.9%	92.6%	87.3%*
2017	98.9%	93.2%	88.8%
2016	98.9%	92.3%	83.8%
2015	98.9%	92.5%	86.0%

\*Income protection figures include all third-party information.

# The most common conditions claimed in 2018

An Aviva life insurance policy protects you and your loved ones in the most devastating of circumstances. It pays out a lump sum if you die or, if included in your policy conditions, if you are diagnosed with a terminal illness with less than 12 months to live during the policy term.

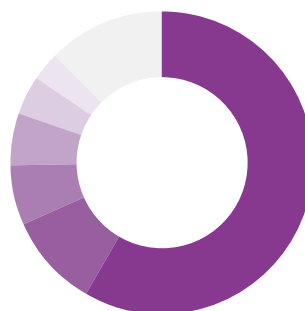
**Life insurance and terminal illness**  
**98.9% claims paid**  
**£563m paid out**



- Cancer 41.5%
- Cardiovascular 23.7%
- Respiratory 5.9%
- Suicide 5.6%
- Other 4.2%
- Accidental death 4%
- Alcohol/Substance abuse 3.8%

Being diagnosed with a critical illness can be life changing. An Aviva critical illness policy pays out if you are diagnosed with, or undergo surgery for, a critical illness that meets our policy definition during the policy term and then survive for at least 10 or 14 days (the length of time will depend on the type of policy you have). It does not pay out on death. The critical illnesses which are covered will be defined in the policy conditions for the product.

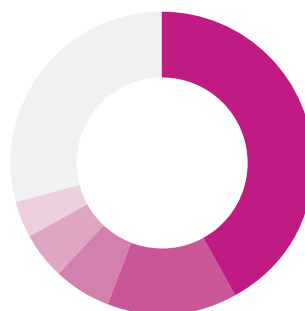
**Critical illness**  
Including Children's benefit and total permanent disability  
**92.6% claims paid**  
**£354m paid out**



- Cancer 58.4%
- Heart Attack 10%
- Stroke 6.6%
- Children's benefit 5.4%
- Multiple Sclerosis 4.2%
- Total Permanent Disability 3%

Children's benefit is a way of providing some cover for your children as part of a critical illness policy. With our current policies it includes some critical illness cover and a death benefit for your children. The coverage and amount paid may vary depending on the policy taken out. Please check your policy documents for more information.

**Children's benefit**  
**94.3% claims paid**  
**£5m paid out**



- Cancer 42.1%
- Child Death Benefit 14%
- Stroke 6.1%
- Benign brain tumour 4.9%
- Major organ transplant 3.8%

If you become unable to work and lose earnings through illness, sickness or injury, Aviva income protection pays out an income during the policy term to help support you financially whilst you are unable to work or for a fixed period of time.

**Income protection\***  
**87.3% claims paid**  
**£38m paid out**



- Mental Illness 26.5%
- Musculoskeletal 14.9%
- Cancer 11%
- Heart Attack or Stroke 3.2%

For each of the above products, there is no cash-in value and a payment is only made in the event of a successful claim.

\*Income protection figures include all third-party information.

# 360° view of a claim

Our protection business exists to help our customers defy uncertainty, providing financial security when they need it most. The impression many people may have of insurance is that providers look for reasons not to pay out. That's not the case with Aviva, as paying claims is the single most important thing we do.

Our claims service supports customers and their families through some of the toughest times of their lives. We work closely with customers and their advisers to make sure each claim is dealt with smoothly and professionally, delivering the best possible outcome for each customer.

An issue that affects one member of a family affects the whole family, especially in the case of a seriously ill child. And, as we'll see in this example of a real-life claim we paid in 2018, achieving the right outcome for the customer involves the effort of multiple people.

## Facing the unthinkable

The unthinkable happened to Leanne and Lee in July 2018 when their three-year-old son, Seth, was diagnosed with Wilms' tumour, a cancer of the kidneys.

Seth, along with his Mum and Dad, had already been in the hospital for two solid months following initial diagnosis of the tumour, but it was the following seven months of Seth's chemotherapy treatment that threatened to put the family in an a very difficult position financially.

Leanne and her husband obviously wanted to spend as much time with Seth as they could, but as Lee is self-employed, they needed to carefully consider how they would cover their outgoings, let alone the travel, accommodation and other expenses that come with having a sick child in hospital.

Fortunately, both Leanne and Lee had taken out an Aviva critical illness protection policy each - both of which included children's benefit, which lifted a huge weight off their shoulders, letting them concentrate on their son's health instead of worrying about money.

## 01. Leanne: the customer

"The payment of the claim made all the difference, as we were able to focus on our son's treatment and recovery without having to worry about money – and there was no rush for us to return to work.

"We asked our adviser to deal with our claims on our behalf and were really pleased with the process and how efficient it was. It made a huge difference at such a difficult time."

"When we took out our policies, we thought that if the unthinkable ever did happen, having cover would mean we had one less thing to worry about. Having gone through what we did, we are so happy we had cover in place. It meant we could focus on Seth when he needed us most."

01



## What is hospital benefit?

Hospital benefit is available under some of our policies. It is designed to help cover the costs associated with a prolonged stay in hospital, such as travel, parking and food.



## Making a claim

### 02. Vicky: the adviser

“When I heard from Leanne that Seth was seriously ill, I wanted to make sure the claims process was as easy as it could possibly be for them, given their circumstances. So, we corresponded directly with the claims team at Aviva on their behalf throughout the whole process.

The team at Aviva were very efficient and kept me in the loop throughout. This meant I could keep Leanne and Lee updated on how their claims were progressing.

Sometimes there’s a perception that insurers don’t want to pay claims. However, this experience has proven otherwise. Aviva paid the full children’s critical illness benefit for both claims. They also paid out a greater benefit than we expected, as they approved payment of the full ‘Hospital Benefit’ included on both plans, without the need for any additional evidence.”

### 03. Amanda: Aviva claims handler

Amanda received the call from Vicky, Leanne’s adviser, regarding the claims. Due to the nature of the tumour, Amanda had to determine whether Seth was born with the condition or if it had developed over time.

“As with all claims, I was very aware of the stress that Leanne and Lee were under and wanted to get the right result as quickly as possible. The challenge for me initially was Seth’s diagnosis. Wilms’ tumours are usually a result of how kidney cells develop in the womb but that’s not to say he had the tumour at birth.”

“So, I sought the advice of our wider team – our Paediatric Chief Medical Officer confirmed the process of diagnosis and our Philosophy Team gave guidance on whether the congenital exclusion applied and thankfully, it didn’t in this case. I was delighted to be able to pay both the child critical illness benefit and the hospital benefit in full for both Leanne and her husband’s policies giving them the financial freedom to be with their son through each step of his treatment and recovery.”

# Life insurance and terminal illness benefit

## A financial safety net when it's needed most

Aviva life insurance helps give your loved ones a financial safety net should you die during the policy term. It can provide invaluable support at an incredibly difficult time.

There are a few different types of policies. Generally they will either offer you cover for a set amount of time that is selected by you at outset, for example 15 or 20 years, or for the whole of your life.

Depending on the type of policy you select there may be different types of cover you can choose, these include:

- **level, where the amount that would be paid out stays the same over the duration of the policy**
- **decreasing, where the amount to be paid decreases over time**
- **or increasing, where the amount to be paid out increases over time.**

Aviva terminal illness benefit is often included in an Aviva life insurance policy to help customers who've been diagnosed with a terminal illness. It is usually payable based on set criteria, such as the customer having a life expectancy of less than 12 months. For people who find themselves in this situation, having a policy that pays out early so they can sort out their financial affairs before they pass away is very helpful.

It's important to remember life insurance has no cash-in value at any time.

For more information please contact your financial adviser.

## What we paid in 2018

Life claims paid:



**16,178**

Amount paid out:



**£563m**

Average payout:



**£34,783**

Percentage of life insurance and terminal illness claims paid:



**98.9%**

## Additional benefits with Aviva Life Insurance+

Life insurance+ from Aviva offers financial protection and much more. Our Life Insurance+ customers can benefit from a host of extra support services at no extra cost. The following benefits are available on a Life Insurance+ policy which is only available through a financial adviser. These benefits may not apply to other Aviva life insurance products.

### Wellness

#### Helping you maintain and retain a healthy body and mind

- Carer support from Workplace Options
- Gym membership discounts with Get Active from Aviva

### Care

#### Everyday support and life changing benefits

- Mental Health Counselling from Workplace Options
- Best Doctors Second Medical Opinion
- Bupa Anytime Healthline

### Bereavement

#### Being there for you when the worst happens, and you need to make a claim

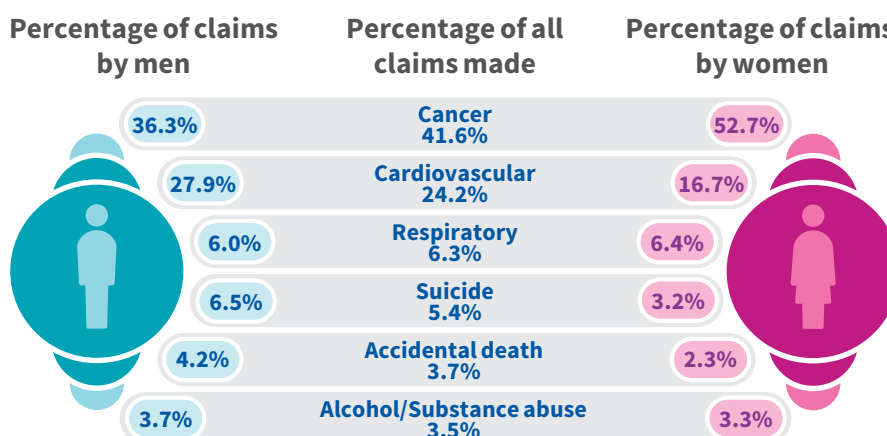
- Estate Administration with MyDigiExecutor
- Advance Funeral payment
- Bereavement Guide
- Bereavement Counselling from Workplace Options and Grief Encounter

**Please note: All of the above benefits are non-contractual and can be removed at any time.**

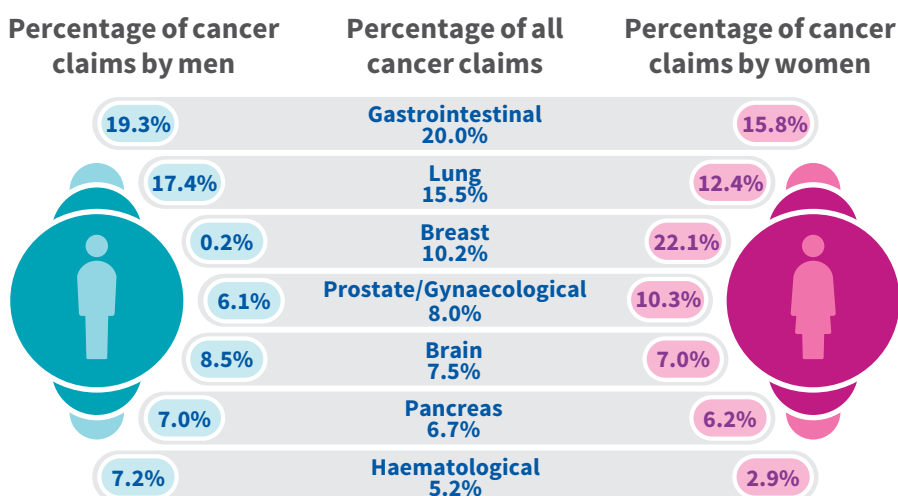


# Life insurance and terminal illness benefit

## The most common conditions for life insurance claims (excluding terminal illness)

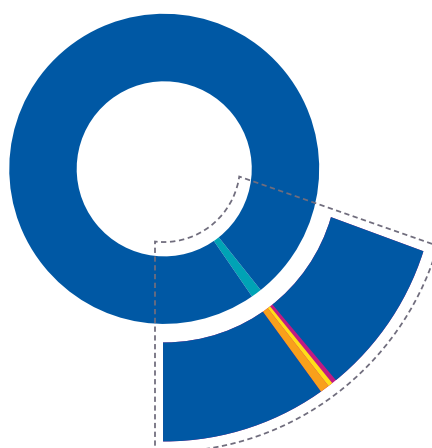


## The most common cancer types for life insurance and terminal illness claims (excluding over 50's plans)



## When we can't pay out

Some consumers may be doubtful and worry that insurers don't pay claims but these figures show that this is simply not true. In fact, in 2018 just over 1% (or 179) of all our life insurance and terminal illness benefit claims were declined.



■ Life insurance claims paid out: 98.9%

■ Claims we couldn't pay: 1.1%:

Reason not paid:

■ Claim didn't meet the policy definition: 0.5%

■ Misrepresentation: 0.48%

■ Other policy conditions were not met: 0.1%

# Life insurance and terminal illness claims

**It is very important to make an accurate statement about your health, family history and specific medical conditions when applying for an Aviva protection policy as this information will be used to assess any claim you make in the future. For complete transparency, we always send customers a copy of the information they've provided, and we ask them to contact us if any of the information isn't right.**

## **Claim did not meet the policy definition**

We might decline a claim for this reason if, for example, a customer received a terminal diagnosis but was given longer than 12 months to live. In this case, they might claim with the intention of using the terminal illness benefit to help them with treatment, rather than the purpose it was designed for – which is to help them get their financial affairs in order when their life expectancy is less than 12 months.

With medical advancements and improved treatment options these days, many people with a terminal diagnosis can live for several years.

## **Other policy conditions were not met**

Sadly, some of our claims are as a result of suicide. We don't pay claims if the death is caused by suicide or self-inflicted injury in the first 12 months of the policy starting.

## **More than just a claims payment**

The following benefits are available on a Life Insurance+ policy which is only available through a financial adviser. These benefits may not apply to other Aviva life insurance products and are non-contractual, meaning we could remove them at any time.

- **Practical support when a loved one dies** - Dealing with the death of a loved one can be one of the most difficult times in anybody's life. We provide a free 'Practical Guide to Bereavement' to anyone who makes a life insurance claim, covering everything from registering the death and planning the funeral to making sure that the right organisations know for tax and accounting purposes.
- **Support with the legal side of bereavement** - To help our customers through this process we signpost legal services provided by a third party that help make sure everything is dealt with properly and in accordance with the law.
- **Advance payments to help with funeral costs** - Up to £11,000 advance payment is eligible for life insurance claimants to be used towards the cost of a funeral, as well as the probate application fee. By offering to deal directly with funeral directors and handle probate fees, we hope to take away a little stress at a difficult time as well as trying to help speed up the time taken for customers to receive their payment in full.
- **Speeding up the payment of life insurance claims** - To make claiming as quick, easy and stress-free as possible, we process some claims over the phone. In these situations, when compared to paper based claims, we've seen a reduction in the average time it takes to settle the claim from around 27 days down to just two or three.

## **Fracture cover - helping to cushion the blow of a broken bone**

Available on our Life Insurance+, Critical Illness+, Income Protection+ and Living Costs Protection policies at an additional cost, Fracture cover provides financial support for 18 different fractures - helpful if you're unable to work or get around easily for a number of weeks.

Your adviser can provide further information about Fracture cover and details of when it would pay out.

# Critical illness claims

## A lifeline for customers and their loved ones

Whether paying for treatment or helping to cover your salary while you focus on self-care and treatment, critical illness cover from Aviva could make a big difference if you are diagnosed with a life changing illness that meets the policy definition – helping you and your family cope if you became ill. Depending on your policy, for an additional cost you may also be able to include cover for total permanent disability (which will be defined in the policy conditions).

You can select the period of time over which the cover will run, for example 20 or 25 years to cover the length of a mortgage or until your children have grown up.

Depending on the critical illness policy taken out, cover could be:

- **level, where the amount that would be paid out stays the same over the duration of the policy**
- **decreasing, where the amount to be paid decreases over time**
- **or increasing, where the amount to be paid out increases over time.**

Our critical illness cover is sometimes available as a standalone policy or in combination with our life insurance cover. It has no cash-in value at any time and, if taken out as a stand-alone critical illness policy, it does not pay out if you die. For more information please contact your adviser.

## What we paid in 2018 on critical illness, children's benefit and total permanent disability:

Critical illness paid:



4,930

Amount paid out:



£354m

Average payout:



£71,779

Percentage paid of all critical illness claims:



92.6%

## Added benefits when you take out a Critical Illness+ policy

Critical Illness+ from Aviva offers financial protection and much more. Our Critical Illness+ pays out if you are diagnosed with, or undergo surgery for, a critical illness that meets our policy definition during the policy term and then survive for at least 10 days. We only cover the critical illnesses we define in our policy and no others.

Critical Illness+ customers can benefit from a host of extra support services at no extra cost. The following benefits are available on a Critical Illness+ policy which is only available through a financial adviser. These benefits may not apply to other Aviva critical illness products.

### Wellness

#### Helping you maintain and retain a healthy body and mind

- Carer support from Workplace Options
- Gym Discounts with Get Active by Aviva



### Care

#### Everyday support and life changing benefits

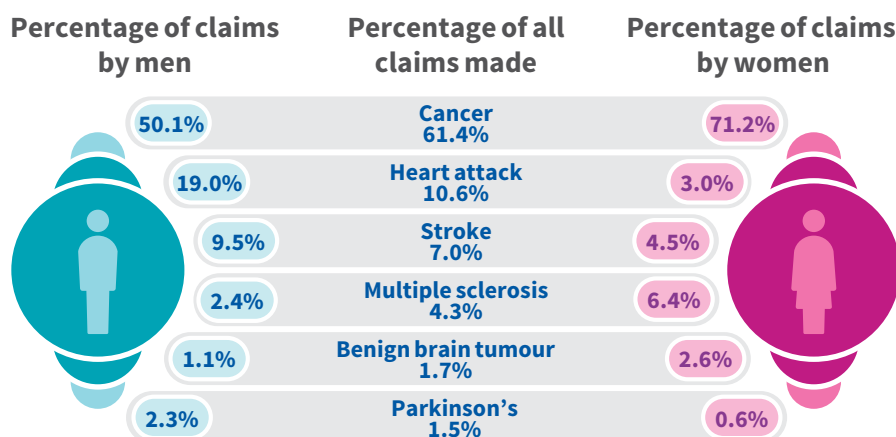
- Mental Health Counselling from Workplace Options
- Best Doctors Second Medical Opinion
- Bupa Anytime Healthline

Please note: these benefits are non-contractual and can be removed at any time.

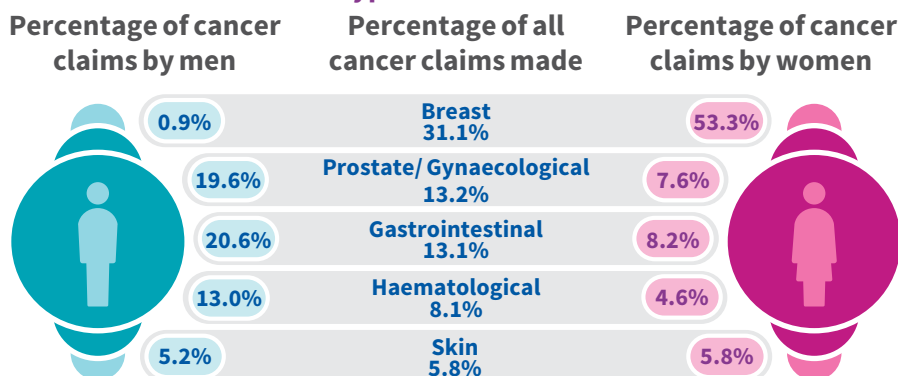
# Critical illness claims

(Excludes children's benefit, total permanent disability and partial payment claims.)

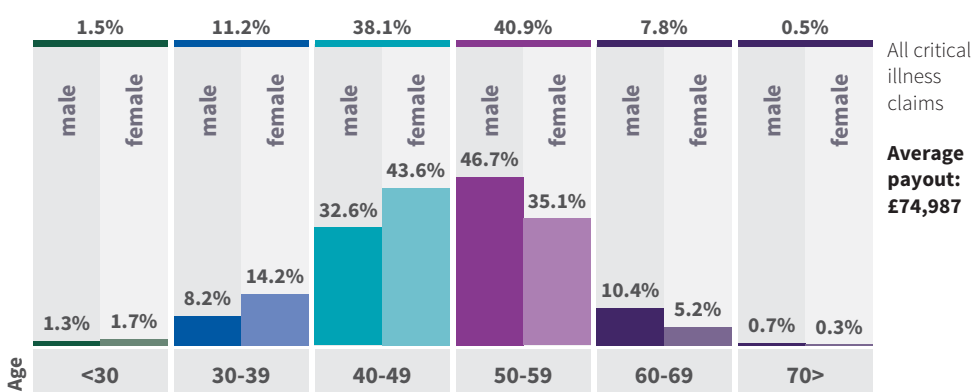
## The most common reasons for critical illness claims



## The most common cancer types for critical illness claims



## Critical illness claims by age and gender



## Speeding up cancer claims

Cancer can have a massive impact on a person's finances. That's why we've been testing out a new approach - one, that in some cases, is helping us cut cancer claim times from 60 days to just 24 hours with the help of our partnership with Macmillan Cancer Support.

This means that, in some cases, claims can be approved in as little as a day - giving customers some financial security when they need it the most.

In certain situations, by getting the patient's permission to speak directly to their Cancer Nurse Specialist, we're now able to get all the information we need over the phone - as opposed to having to wait for a consultant to post or email it to us, helping to reduce claim times and support our customers living with cancer.



# Steve's story



When Steve was diagnosed with mouth and throat cancer he was left feeling bewildered, but after benefiting from his critical illness cover he was able to focus on his treatment and recovery with peace of mind.

Steve is a 58-year-old mortgage broker from Hull and has experience of advising his clients on protection policies.

Steve went cycling to Spain for a few days before returning home with a cough. After several visits to his doctor and a round of antibiotics he was sent for more tests at his local hospital, which is when he received his diagnosis.

He had mouth and throat cancer that needed a combination of treatments. The month after he received his diagnosis, Steve visited the hospital 23 times in 28 days, it was a further two months before treatment started. He underwent six weeks of radiotherapy on his mouth using a specialist mask made specifically for him. Steve also had chemotherapy every week for six weeks.

Steve called Aviva to make a claim for cancer on his critical illness policy. With such strenuous treatment, he had been unable to work, so the money brought him significant peace of mind and allowed his wife to take time out of work to care for him as well.

“

It's difficult enough worrying about your health, you don't want to be worrying about money on top of that. The claim payment made a very, very significant difference to me.

”

# Linda's story



When Linda was buying her house, her mortgage adviser recommended taking out critical illness cover. When within a few years, completely out of the blue, Linda was diagnosed with bowel cancer, she was very thankful that she'd acted on this advice.

"In August last year I was diagnosed with bowel cancer, which was a bit of a blow to say the least, because I hadn't had any symptoms at all, was feeling perfectly fit and healthy, was running, doing my house up, doing my garden. Before travelling to the USA for a wedding, I went to the hospital to check on a pain I had on my side, which ended up being bowel cancer. It was really an afterthought, because I was trying to process all this information that the doctors were giving me, and I thought, crikey this morning I didn't have cancer, and ten hours later I have."

After receiving the bad news from her doctors, Linda went through her paperwork and found her critical illness cover with Aviva. She decided to call and find out more about making a claim.

"The lady I spoke to was really lovely and very sympathetic. She assured me that Aviva would deal with the doctors and the hospital on my behalf and all I had to do was focus on my health. In November, I received a call saying that my claim had been accepted and I cried... I cried because it was such a huge relief, because you don't know what the future's going to hold. At the end of the day, you don't know whether the cancer's going to come back or not. If you've got that relief in knowing that your mortgage is paid for, and you're not going to get turfed out of your house – it's a wonderful feeling!"

"It really felt like you were a real person, and not just a number, or a statistic. It felt like they actually had an interest in you as a human being, which is something else that's really, really nice when you're going through this process... so to be treated as a human being, and for somebody to pick up on how frightened you are, or how worried you are about things, is lovely. It really is."

“

You always think that nothing will happen to you, but you never know.

”

“

It's just such a wonderful feeling, and it just means you can concentrate on looking after yourself... and not having to worry about where the money's going to come from to pay for your mortgage.

”

# James' story



James is a financial adviser; he talks to his customers all the time about the benefits of having critical illness cover and how you'll never know when you might need it, even if you're young and healthy. Little did James know how true his words would come to be when his fiancée was diagnosed with cancer.

"When people buy protection, they see life insurance as the cheaper option and often dismiss critical illness as too expensive. But as an adviser, making sure my clients consider how they'd cope financially if the worst happened is really important. – James states

"For clients in their 30s, 40s, 50s and especially those with large mortgages, how would they pay the mortgage? Could they afford to take time off work to attend numerous hospital appointments or to be there for their partner or loved one? I always emphasise how important it is for my clients to make sure they have the right level of cover."

## A personal story

Last year, the importance of having protection in place really came home to James when his fiancée was diagnosed with cancer.

He says: "Thinking about your finances when you are dealing with the emotional side of a diagnosis makes everything twice as hard.

We both knew that we couldn't do a 9 to 5 job for a while as we focussed on getting through multiple medical appointments. But on the other hand, we had to keep up with the mortgage payment and all the other bills. I thought about the critical illness cover we had in place and I decided to contact Aviva to make the claim. Just three weeks later, everything was settled."

## A different way of handling the claim

"James and I had developed a good business relationship," says Lorna, James' account manager at Aviva. "So I felt it only right for me to help support this claim. As it was so personal to him, I knew it would reassure him to know his account manager would be involved."

"I spoke with James regularly throughout the claims process, to feedback correspondence from the claims team and to ensure he understood every step."

## Seeing it from the customer's perspective

James says: "We're both so grateful to Lorna and the Aviva claims team for giving us the support we needed to get through a very difficult and stressful time. It's given me a much better understanding of what customers go through who find themselves in similar situations to ours. I can't stress enough how much of a difference having your claim handled in an efficient and sensitive manner can make."

“

We were very pleased with the speed and efficiency that our claim was dealt with.

”

# Critical illness claims

## When we can't pay out

(Excluding children's critical illness cover and total permanent disability)



■ **Critical illness claims paid out:** 93.4%

■ **Claims we couldn't pay:** 6.6%:

Reason not paid:

■ Claim did not meet the policy definition: 4.7%

■ Misrepresentation: 1.8%

■ Other policy conditions were not met: 0.1%

As the statistics show, the percentage of claims we decline is small. But there are some reasons, in a small number of cases, why we might not be able to pay.

### Definition not met

Of the claims we were unable to pay in 2018, the majority were because the policy conditions were not met. Our product literature always makes it clear which illnesses or surgeries are covered – and the circumstances in which we can or can't pay out.

Whilst the terms are agreed before the policy starts, finding out that a certain illness isn't covered can be disappointing and upsetting. But even if a specific diagnosis isn't covered by the policy, we will check if we can pay a claim for the potential longer term effects of the customer's illness, such as total permanent disability (where this included on the policy).

### Misrepresentation

In 2018 there were only 1.8% of claims that we couldn't pay because customers had given inaccurate statements or incomplete information about their health and lifestyle when applying.

To be fair to all our customers, we'll cancel the policy without paying out if we find evidence that information was deliberately withheld which may have changed the policy terms or resulted in no cover being offered.



# Critical illness claims

## How our critical illness cover got even better

We're constantly reviewing the critical illness cover we provide under Critical Illness+ (and for the critical illness cover which can be chosen as part of Life Insurance+), considering medical advances and feedback from our customers, to ensure they provide comprehensive protection.

Here are just some of the changes we've introduced:

### Under our Core cover:

#### In September 2017 we:

- Added more treatment options covered under our Cardiomyopathy definition.
- Removed the need to wait for permanent neurological deficit where scans showed damage for our spinal stroke definition.
- Introduced immediate payment under our benign spinal cord tumour definition if the customer undergoes one of the defined treatments.

### Under our Upgraded cover (available at an additional cost):

#### In September 2017 we:

- Doubled the amount of cover paid for children diagnosed with cancer on our upgraded children's benefit

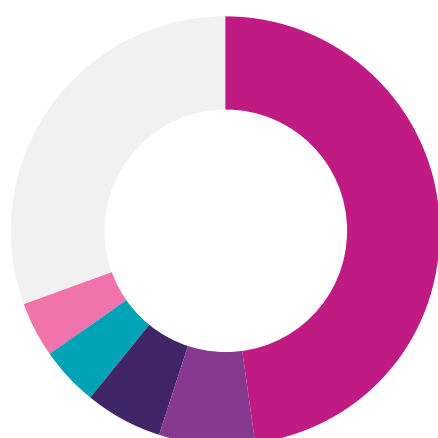
#### In October 2018 we:

- Added treatment for intracerebral (brain) abscesses as a full payment condition
- Introduced cover for adults and children (where upgraded children's benefit has been selected) for less severe third degree burns as an upgraded additional critical illness condition, recognising that less severe burns can still have a significant impact on a person and that many hospital admissions for this condition are for children.
- Included a new condition for children under upgraded children's benefit – diabetes mellitus type 1 – where the child needs to permanently use insulin.
- Increased the maximum age limit from 18 (or 21 if in full time education) to the child's 22nd birthday for upgraded children's benefit.
- Extended our children's hospital benefit to cover adults too, when upgraded critical illness is selected. This means that, if the lives covered are in hospital for more than seven consecutive nights due to illness or injury, they will receive £100 for each additional night (up to a maximum of £3,000).

Terms and conditions apply to the above. More information can be found in the Policy Summary and Policy Conditions which are available from your financial adviser.

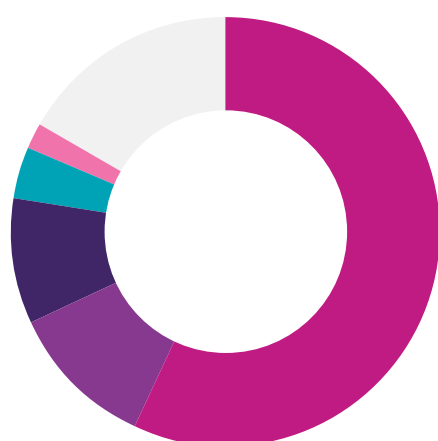
# Children's critical illness claims

## Top 5 conditions for children's critical illness claims



Cancer	48.0%
Stroke	7.2%
Benign brain tumour	5.8%
Major organ transplant	4.5%
Heart Surgery	4.0%

## Top 5 cancer conditions



Haematological	57.1%
Sarcoma	11.2%
Brain	9.2%
Kidney	4.1%
Skin	2.0%

## Children's critical illness claims

If your child falls seriously ill, you want to spend as much time as you can helping to care for them. That's why, Aviva Critical Illness+ policies have children's critical illness cover included as standard as part of the children's benefit. If you're already a parent or are planning to start a family in the future, it's a valuable extra benefit.

Suppose your child is diagnosed with a critical illness that meets the definition of one of our standard full payment conditions (excluding terminal illness) of Critical Illness+, or a Life Insurance+ policy where critical illness cover has been added. If that happens during the term of these specific policies, and they survive for at least 10 days, we would pay a lump sum of up to £25,000 or, if lower, 50% of the cover amount to the policyholder to help your family through this difficult time.

## Children's benefit paid in the past four years

Year	Total benefit paid
2018	£5,003,838
2017	£3,808,926
2016	£3,256,832
2015	£2,312,435

In 2018 we saw a 31.4% increase in children's benefit claims – paying out **£5,003,838** to 264 customers.

## About upgraded children's benefit

Cancer is the most common cause of children's critical illness claims, making up 48% of all claims paid. That's why, if you have a Life Insurance+ or Critical Illness+ policy that includes upgraded children's benefit, which is available at an additional cost, we will pay up to £50,000 under our Extra Care Cover for childhood cancer (excluding less advanced cases) regardless of what their cover amount is. Look what's included with our upgraded children's benefit:

- ✓ 48 conditions covered – including cerebral palsy, cystic fibrosis, Down's syndrome and hydrocephalus.
- ✓ Child extra care cover – we'll pay up to £50,000 for a critical illness that meets the definition set out in the policy conditions.
- ✓ Advanced illness – we'll pay up to £10,000 when a child is diagnosed with an advanced or rapidly progressing illness that meets our definition.
- ✓ Children's hospital benefit – when a child needs to stay more than seven consecutive nights in hospital due to illness or injury we'll pay £100 a night from the 8th night up to a maximum of £3,000 per child (also included as part of the standard children's benefit).
- ✓ Children's death benefit – we'll pay £5,000 if a child dies (also included as part of the standard children's benefit).
- ✓ Children are covered from 24 weeks of pregnancy up to their 22nd birthday.

Full details of children's benefit and upgraded children's benefit can be found in the Policy Summary and Policy Conditions. Your adviser can provide these and will be happy to provide further information.

# Claire and baby Lyla's story



Photograph for illustrative purposes only.

## After Claire Lewis's daughter needed open heart surgery, an unexpected payout helped her whole family heal.

In January 2016, Claire's baby daughter Lyla had only been born a few hours earlier when she and her partner received devastating news.

"The doctor came in and told us she had a hole in her heart," says Claire, a 35-year-old learning mentor from Burnley. "It's called AVSD, or 'atrioventricular septal defects' – which basically means her heart wasn't connected up properly. It's your worst nightmare. All sorts of worries go through your head. But you just have to get on with things. You don't have a choice."

### Operation at Alder Hey

In August of the same year, Lyla underwent open heart surgery at Alder Hey Children's Hospital in Liverpool – still aged just six months.

"It wasn't a nice time, to say the least," says Claire. "We practically lived at Alder Hey during that whole period. But the operation went well, and Lyla was soon recovering." And it wasn't long before the family received more good news. After a conversation with their mortgage broker, they discovered an insurance policy they'd taken out years earlier might pay out under our children's critical illness cover. Giving them some much-needed breathing space and time to heal.

### The family's luck turns

Claire and her partner had taken out insurance, which included a critical illness policy before they'd started their family – largely to cover their mortgage if anything happened to either of them.

"The fact that Lyla might be covered never entered my head, to be honest, because so much was going on at the time. We'd taken the policy out in case something happened to my partner or me. It was only when we had a discussion with our mortgage broker that we looked into things, after she said Lyla might be covered." Through their broker, the couple made a claim with Aviva, and within a couple of weeks the money was in their bank.

"I remember my partner saying, 'We won't get anything, we don't have much luck.' And I thought, at most, we'd get a couple of thousand pounds. Then, when I looked into my bank account and saw it said £10,000 – I was shaking. I didn't know what to do – That's the most money we've ever had in our bank account at one time. It was lovely."

### Time for a 'familymoon'

Claire and her partner decided to use a portion of the money to go on a family holiday with Lyla and Archie, her four-year-old brother.

"We went to the beach and did all the fun things with all the characters and whatnot," says Claire. "It was tremendous, and we're getting married this year, after being engaged for nine years, so we're using some of the money to pay for a 'familymoon', too, afterwards."

"No amount of money would compensate for what Lyla has been through, but it has helped us to recover from it. To move forward as a family and create some happy memories." – she said.

"And we're still paying into our policy. Because if this experience has taught us anything, it's that you really don't know what's around the corner."

“

This experience has taught us that you really don't know what's around the corner.

”

#### Note

As part of our Critical Illness+ there is the option to select upgraded children's benefit at an additional cost. Upgraded children's benefit would provide cover for structural heart surgery, as described in this case study.

# Income protection claims

## Cover that goes to work when our customers can't

Aviva income protection can help you and your family maintain your standard of living by paying out an income if you suffer a loss of earnings due to illness or injury during the policy term.

If you become unable to work through illness, sickness or injury, having the right income protection in place can help towards making sure that unpaid bills don't add to your worries. We appreciate that getting back to work can be challenging, therefore our income protection policies come with a range of support services, which could help make the difference between being off for a few weeks or for much longer.

Aviva income protection has no cash-in value at any time. For more information please contact your financial adviser.

## What we paid in 2018\*

Individual income protection claims paid:



**4,049**

Amount paid out:



**£38.1m**

We paid out



**87.3%**

of new claims made in 2018

Average age at incapacity:

**44 years**



Percentage of claimants aged under 40:

**32.7%**

Percentage of claimants aged 40 or over:

**67.3%**

## Top three reasons for claims (by volume of claims):



**Mental health conditions: 26.5%**

**Musculoskeletal conditions: 14.9%**

**Cancer: 11.0%**

\*Income protection figures include all third-party information.



# Income protection claims

## More benefits when you take out an Income Protection+ policy with Aviva

Our Income Protection+ policy is available through a financial adviser and comes with a host of extra support and benefits to help customers with their recovery. There are conditions and additional information you need to understand regarding the benefits outlined below. This can be found in the Policy Summary and Policy Conditions documents - your adviser can provide you with these.

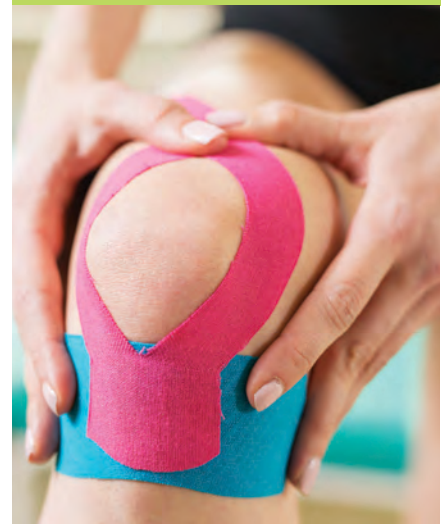
These benefits may not apply to other Aviva income protection products.

- ✓ **Back to work benefit** – designed to help customers get back to work more easily.  
This pays a reduced benefit that considers any loss of earnings incurred due to illness or injury when returning to work. Customers can claim back to work benefit if they were in a paid job and return to work again, either in the same position with reduced hours or a different role due to their illness or injury.
- ✓ **Family carer benefit** – if a policyholder's spouse, civil partner or child suffers an illness or injury which means they can't perform certain activities for more than three months, we'll pay the amount of benefit they've chosen or £1,500/month (whichever is lower) for a maximum of 12 months during the policy term.
- ✓ **Hospital benefit** – we'll pay £100 for each night if a policyholder is in hospital for more than six consecutive nights up to a maximum of 90 nights during the policy term.
- ✓ **Trauma benefit** – we'll make one payment of £40,000 or six times the amount of the benefit shown on the policyholder's policy schedule (whichever is lower) if they suffer one of six traumatic events.

## Getting back to work with physio, counselling and rehabilitation support

As well as helping our customers when they can't work, we're here to help them get back to it when they're ready. And we also want to help prevent time off through injury and mental health issues, too. That's why we offer customers access to physio services through our trusted partners and provide rehabilitation support. And why – whether they're claiming or not – customers can access help through our partners with mental wellness issues such as bereavement, work-related stress, relationship breakdown and more.

These services are only available on our Income Protection+ policies. They are non-contractual and can be withdrawn at any time.



# Income protection claims

## Claims snapshot

To give you a flavour of the breadth of claims we pay, here's a quick look at some of the cases we're currently paying out for.



**Occupation:**  
Communication Officer

**Condition:**  
Breast Cancer (incurable)

**Monthly benefit:**  
£989

**Time in claim to date:**  
3 years 9 months

**Monthly premium:**  
£42.49

**Time policy in force:**  
23 years



**Occupation:**  
Account Supervisor

**Condition:**  
Musculoskeletal

**Monthly benefit:**  
£789

**Time in claim to date:**  
2 years, 7 months

**Monthly premium:**  
£24.72

**Time policy in force:**  
5 years, 6 months



**Occupation:**  
Operations Manager

**Condition:**  
Mental health

**Monthly benefit:**  
£3,113

**Time in claim to date:**  
6 years

**Monthly premium:**  
£35.20

**Time policy in force:**  
17 years, 5 months

Photos are for illustrative purposes only.

## When we can't pay out



**Income protection claims paid out:** 87.3%

**Claims we couldn't pay:** 12.7%:

Reason not paid:

- Claim did not meet the definition of disability: 4.1%
- Excluded condition, declined under standard policy conditions, or other policy criteria not met: 1.4%
- Misrepresentation: 7.3%

In 2018 over **4%** of claims were not paid because the customer did not meet the policy's definition of total disability (where they are totally unable to carry out their occupation). For example, if medical information suggests the customer would be able to work despite their illness.

Almost **1.4%** were declined because the condition being claimed for was excluded, or for other policy criteria not being met.

Finally, over **7%** were declined because of misrepresentation of relevant medical information at application which would have affected our ability to offer income protection cover in the first place.

# Adam's story



Photograph for illustrative purposes only.

When former ambulance worker Adam Hyde was hit by a sudden mental health crisis, an income protection policy helped him on the road to recovery.

For several years, Adam, a father of two, worked in the ambulance service, helping people get the treatment they needed when they were at their most vulnerable. Then, after he left the health service to pursue a new career in sales, Adam decided to take out an income protection policy with Aviva – having re-assessed the protection he and his loved ones would have if something bad happened. “I have two young children,” he says. “And it was with them in mind that I took out the policy. Otherwise, if something happened, where would the money come from to look after the family?”

It proved a wise decision.

## Anxiety strikes

Adam says he “took the policy out for the big reasons like a car accident, a stroke or a heart attack” – things he knew could affect people from his experience in his previous job.

But rather than being affected by a physical injury, it was when he was signed off work with stress and anxiety that he ended up making a claim. “I didn’t expect that it would pay out or provide benefits for a mental health condition.”

But as it turned out, he was able to claim an income from his policy – and got further help on top of that.

## Big company, personal touch

“With a big company you’re expecting to be passed from pillar to post when you call up,” says Adam. “But I experienced completely the opposite. I had a direct phone number for Emma at Aviva. She was the only person I had to deal with, and throughout the process the level of support she gave me was way above what I expected. On top of setting up my payments, she’d arranged for me to start psychological therapy within a week – which my GP had told me I might need to wait 2-3 months for. And the techniques I learnt really helped; I’m still using them now.”

## So important

“When I first called Aviva I was in a really bad place,” says Adam. “I was worried about money, would I ever work again. Yet five months after making the first phone call in April, I was back to work in a new job which I’m still doing now.”

“These policies are so important and more people should be aware of them. I think if I hadn’t had the money and the support from Emma – sorting out the counselling and checking on me – I don’t know what the outcome would have been. “It was a very tough time, a very hard time I went through,” says Adam. “But Aviva was there like a friend.”

“

I was able to claim an income from my policy – and I got loads of help on top of that.

”

# Amanda and John's\* story



\*Photograph for illustrative purposes only. The customer's names have been changed to protect their privacy.

Going through a difficult time when Amanda was diagnosed with bipolar disorder, John had to make the difficult decision to sell their family home to keep paying all the bills. Their decision to take out income protection years before made a life changing difference to the family, when the lump sum received from their claim helped them get back on the property ladder.

Amanda began feeling extremely anxious and physically unwell in autumn 2015. She went to see her doctor and took some time off work to recover, but unfortunately things didn't improve, and Amanda had to give up work in January 2016.

Having been on the property ladder for almost 20 years, John and Amanda had to come to a very difficult decision – selling their home and moving into rented accommodation.

## Life was difficult with only one person working

John says; "I felt that, because Amanda wasn't able to work, we had to sell our home and go into rented accommodation to keep up paying our bills. Life was crazy. I had two jobs and a young daughter and Amanda was not well. I didn't get in touch with Aviva until June 2017 when I felt able to talk through all that had happened. When I called I spoke to Rob from the claims team on the phone, he told me, 'Why didn't you come to us before? Let's get the ball rolling now'."

## A life changing moment

"Rob was an absolutely fantastic guy, and with his help I submitted all my documents quickly. Then, when Amanda's condition and circumstances were confirmed, we received a backdated lump sum, which we put towards a deposit for a house with the monthly benefit payment to be considered as a secure income for a mortgage."

## Back on the property ladder

Getting back to having a guaranteed monthly income meant that John and Amanda could potentially get back on the property ladder again.

Thanks to Rob's suggestions, John contacted one of the banks and explained his situation. The bank adviser had never come across a case like this before, but he was very happy to help. Because Amanda's income protection policy pays out for the long term, John and Amanda have a monthly income from Aviva, which made everything easier. And in 2018 they managed to get back on the property ladder again.

"It's very difficult to put it into words how grateful we are that we took out income protection and that we had the advice and your support," says John. "Amanda is doing well and receives daily medication. We hope one day she will be able to return to work."

"In the meantime, having the long-term support from Aviva and their team – including Rob – will enable us to move forward. We can't thank you enough."

## Our claims handler's view

Rob works in our income protection claims team. He was the person who dealt with the claim when John first called Aviva.

"Sometimes when a customer notifies us two years on from when their condition first started, it can be tricky to determine their health. We're reliant on the medical records giving us sufficient information to accept the claim," he says.

Initially John was happy for Rob to just look at the claim from the date he contacted Aviva rather than look at backdating it. But when Amanda's medical notes came in they were comprehensive meaning that Rob could accept the claim quickly and backdate it for two years, giving the family a lump sum payment and a monthly income moving forwards.

"As a claims handler, it's very pleasing to know you've been able to make a positive difference to somebody's life. That's what Aviva is all about."

“

You think you are indestructible, and nothing will happen to you, but then the unexpected happens and everything changes. We are so grateful for taking this policy that helped us get on with our lives

”



# Clinical Support to UK Health and Protection

## Who are Aviva's Clinical Team?

We are Aviva's team of internally based clinicians. We have backgrounds ranging from orthopaedic specialist nurses to surgical speciality consultant physicians.

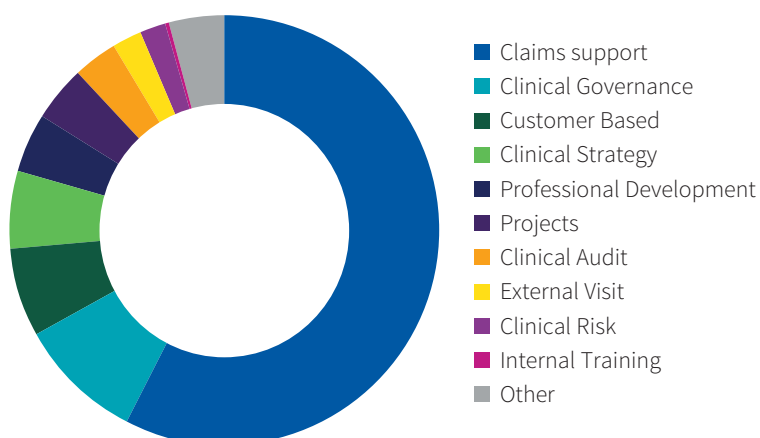
## What do we do?

We serve a wide range of functions within Aviva UK Health & Protection, from the Medical Director developing and delivering the clinical strategy, through to Clinical Advisers giving point of contact clinical support for clinically complex claims.

### Common activities include:

- Providing clinical advice to the teams dealing with customers so they can support the customer through their illness.
- Providing expert advice and support to help existing customers and to find new customers.
- Providing thought leadership on the current and future developments within healthcare such as new technologies, the ageing population and the rise of antimicrobial resistance.

## How our time is spent



There are **34** Clinicians who support Aviva UK Health & Protection **22** of whom are medically qualified doctors or surgeons and **12** of whom have other allied health professional qualifications.

Besides internal staff, we have spoken with almost **700 specialists, GP's, next of kin, Solicitors, hospitals** and other third parties to better manage our members claims.

## Who supports the Clinical Team?

We have an external Medical Advisory Board made up of GP's and consultants in specialisms such as Oncology, Gastroenterology, Psychiatry and Paediatrics, as well as a Professor of Health Economics.

The specialists are distributed throughout Aviva UK Health & Protection which means we can provide a fast response to requests for expert knowledge on breadth of UK healthcare.

# A few words from **our claims assessors**

Our dedicated UK-based team deal with each claim from start to finish - answering any questions and making sure things are dealt with as quickly as possible. We know that for many people, making a claim can be a distressing and emotional time, which is why our claims handlers are trained to deal with calls in a sensitive manner. Here, two of our claims assessors explain how they approach the claim process.



## **Sally Marwood – Critical Illness and Life Insurance Assessor**

We understand that making a claim can feel daunting, especially at during what is already a difficult time. That's why, in order to make the customer as comfortable as possible with the claims process, we offer the option of completing a claim form as and when they feel ready – or we can discuss the initial claim over the phone so we can start assessing the claim immediately.

Whilst we always need to obtain medical evidence, we do whatever we can to speed up that process. If the customer has hospital letters themselves we might be able to use these, for cancer claims we can try and get information from the customer's Cancer Support Nurse, or we may request a report from either a treating consultant or a GP. Our aim is to get the medical information we need to pay the claim as quickly as possible.

When we have the information we need to pay the claim we will call the customer and let them know and arrange for payment to be made. It feels really good to be able to provide the customer with that piece of mind.

## **How long does it take for a claim to be processed?**

We aim to be able to give a decision as quickly as possible. However, in some cases we are reliant on medical professionals to provide us with the information we require. Some claims can be completed within days, others may take longer. But we always keep the policyholder informed throughout the whole process.

# A few words from **our claims assessors**



## **Emma Rickard – Income Protection Assessor**

The most important stage of the claims assessment is the Initial Needs Assessment (INA) call with the customer. For this we follow a 'biopsychosocial' approach, which means we treat people as individuals as everyone is different. Some may need longer to recover while others get better quicker. By spending time understanding the customers position we are better placed to support them. It's not just about the customer's medical condition and it's important that we consider the whole picture including the treatment they are on, how they feel about their illness and the social support they have around them.

Following the INA call, we then collaborate as a team to ensure the claim goes on the right pathway – whether that means assessing a claim or supporting people back to work.

If appropriate, we issue a claim form via a secure system call DocuSign. This enables the customer to complete the claim form electronically on a tablet, phone or desktop. They can sign the claim form electronically and can also upload documents (e.g. payslips or medical information).

We may then write to the customer's GP or consultant for information on their condition.

We would also look for ways to support the customer back to work, either with rehabilitation or vocational support. Our clinical team help to identify the optimum treatment and support the individual customer might need to achieve their goal.

### **How long, on average, does it take for an income protection claim to be approved and processed?**

This can vary depending on the condition. For short-term claims, we try to give a customer a decision there and then, based on anticipated recovery times. For more complex cases the assessment can take longer, but we make sure the customer is always kept updated.

# Summary

## **‘We all think that nothing will happen to us – until it does’**

That’s where we started at the beginning of this report. During 2018, we’ve helped support the majority of our critical illness and income protection customers financially to help them get their lives back on track, and what we’ve paid out on our life insurance policies has helped the families of those customers through what is a profoundly difficult time. And this is how we’ve done it;

- **During 2018, our individual protection payments helped more than 26,000 customers.**
- **Life assurance and terminal illness - £563m paid out for more than 16,000 customers.**
- **Critical illness and total permanent disability - £349m paid out for more than 4,500 customers with cancers accounting for a large majority of claims.**
- **Children’s benefit - £5m paid out to 264 children.**
- **Income protection - £38m paid out for more than 4,000 customers\***

We also know that money can’t solve everything, so we’re equally proud of the extra benefits we offered, like helping customers get back to work with physio, rehabilitation, and counselling, and offering standard children’s cover on Aviva critical illness policies (excluding business protection). We’ve helped customers manage and maintain their caring responsibilities, and helped others to deal with issues surrounding trauma. These benefits may not be available across all products. Physio, rehabilitation and counselling are non-contractual benefits so may be removed at any time.

It all starts with having the right experience, knowledge and advice to have the right protection in place in the first place.

**At Aviva, we know that the worst can and does happen. We’re proud that we’ve been there to help so many of our customers during 2018.**



\*Income protection figures include all third-party information.

# Protection **checklist**

As we've seen in this report, having protection in place could be invaluable. To help you and your family have the right cover – and to help ensure any claims are paid quickly – take a look at the following steps you can take with your financial adviser:

## **When taking out a protection policy:**

- 1.** Check all of your existing insurance policies. These may include cover from your employer, such as death-in-service or income protection.
- 2.** Understand the right type and the right level of cover you and your family need. You should carefully read through your policy documentation to make sure you're comfortable with what you decide to take out. Don't forget to check for anything that's excluded and remember, your financial adviser can help you with this.
- 3.** Check that all the details you've provided are correct. This determines what cover we can offer and giving incorrect information may affect any claim you need to make.

## **After taking out a protection policy:**

- 4.** Check your policy on a regular basis with your financial adviser, particularly if your circumstances change. For example, if you've bought a house, had children or are getting divorced.
- 5.** Remember that many of our protection policies also offer 'anytime' benefits – such as access to a qualified nurse with Bupa Anytime Healthline. You don't always have to claim to be able to benefit from your protection policy.
- 6.** If you do need to claim, rest assured that we'll do everything possible to make the process as easy as we can for you and your family.













“

The whole point of insurance is to pay out when our customers need us. It's a fundamental part of our business. We're determined to make claiming as easy, quick and painless as possible.

”

**Maurice Tulloch**  
CEO Aviva PLC

Defying uncertainty through  
the claims we pay.