

SIRA Customer Service Principles

Self-Insurers Education Day

Raj Kanhai – 3 December 2020



Background

- In mid-2019 SIRA consulted on proposed Customer Service Conduct Principles for insurers dealing with workers compensation, CTP and home building compensation claims
- The principles aim to ensure policy holders and people who experience injury and loss are provided with fair, timely, respectful, inclusive and appropriate services, and the opportunity to provide feedback on the service they receive
- The consultation occurred against the background of the (Hayne) Royal Commission and the Victorian Ombudsman report - “Immoral and unethical”: WorkCover needs wholesale change

Feedback on Principles

There was general support for the customer service conduct principles. Where support was qualified or absent, the themes were:

- Insurers enquiring about the compliance regime, including how adherence to principles would be measured. Some concerns were noted around the establishment of a measurement framework.
- Concern from insurers that adherence to the principles would add additional regulatory burden.
- Questions arose around the impositions of additional requirements beyond existing regulatory and legislative requirements.
- The impact on affordability/pricing of the schemes was raised as a potential implication of implementation.
- The difficulty in balancing the adversarial nature of litigation with the proposed principles.



Feedback on what to report

- Any quality assurance programs undertaken should incorporate business unit goals and strategy, minimum standards, continuous improvement frameworks, compliance and risk management.
- Monthly performance reports.
- Insurer systems established to monitor and review compliance.
- Records of non-compliance.
- Training conducted, including orientation programs.
- Examples of correspondence with claimants.
- Customer and provider survey/feedback results.
- Customer complaints.
- Staffing retention strategies.

SIRA Customer Service Conduct Attestation

1. That customer service conduct has an impact on outcomes for people that have made a claim for compensation or have purchased a policy
2. That resources and skills are in place to give effect to practices and a culture that supports the delivery of service in line with SIRA's Customer Service Conduct Principles
3. That our customer service framework (or equivalent) aligns with SIRA's Customer Service Conduct Principles when dealing with policy holders (where appropriate) and managing claims
4. That any and all systemic failures or inability to meet SIRA's Customer Service Conduct Principles have been disclosed

I attest that (SELF INSURER) acts in accordance with the SIRA Customer Service Conduct principles. SELF INSURER has identified improvements, (please explain which principle and explain the improvements being made and by when).

The Five Principles

1. Be easy to engage and efficient
2. Act fairly, with empathy and respect
3. Resolve customer concerns quickly, respect customers' time and be proactive
4. Have systems in place to identify and address customer concerns
5. Be accountable for actions and honest in interactions with customers

Similar to the obligations to act “efficiently, honestly and fairly” in the Corporations Act

AND the General Insurance Code of Practice 2020: inclusive, value, transparency, trust, integrity, respect, fairness, accessibility and additional support, resolve any concerns and work to prevent future concerns

Be easy to engage and efficient

The insurer must keep customer interactions simple and accessible to make the experience easier, so that the focus is on recovery and resolution.

| Requirement | Key actions | Outcomes |
|---|---|---|
| Customers should only have to provide or ask for information once | Review process and procedures Review forms and templates including call scripts Minimise claim re-allocation Proper handover process | Reduces the duplication of data to be supplied by the customer. High level of customer satisfaction. Reduced claim duration. |
| Information is clear and understandable enabling a streamlined experience | Review your documents and correspondence templates | High level of customer satisfaction. Alignment with Code of Conduct and values. |
| Complexity is reduced by communicating in simple language | Adopt a plain English and user friendly communication style. | High level of customer satisfaction |
| Information is timely and accessible | Website will have information. Mobile app enabled. | High level of customer satisfaction |
| Customers will experience visible support and information throughout the customer journey | Customers can access information on the website, and can access a dedicated person. Minimise claim re-allocation Training supports customer engagement. Aligns with SI's corporate values Use specialists / experts where appropriate | High level of customer satisfaction. Alignment with Code of Conduct and values. Better RTW outcomes. |

Act fairly, with empathy and respect

The insurer must be respectful of people's individual circumstances and needs and support them accordingly.

| Requirement | Key actions | Outcomes |
|--|--|---|
| Customers are treated fairly, receiving the same quality services, every time | Training materials and processes Claims philosophy and manual Injury management program Good Quality Assurance framework | High level of customer satisfaction. Low number of complaints |
| Customers are shown compassion and understanding of their individual situation | Training materials and processes including 'soft skills' Scripts and standard letters Claims philosophy and manual Customer feedback (surveys, NPS) | High level of customer satisfaction. Low number of complaints. |
| Customers are treated with dignity, empathy and respect. | As above | High level of customer satisfaction. Low number of complaints. |

Resolve customer concerns quickly, respect customers' time and be proactive

The insurer must be proactive in supporting recovery and resolution.

| Requirement | Key actions | Outcomes |
|---|--|---|
| Resolve customer concerns at the first opportunity | Training and development Complaint team/scripting/processes Delegations and escalation WIRO / SIRA guidelines | All complaints lodged, complaint escalation processes in place |
| Customers are supported early, leading to better recovery outcomes and resolution | Training and development Complaint team/scripting/processes Systemitise early contact Quality Assurance framework | High level of customer satisfaction. Low number of complaints and disputes. Improved RTW and recovery |
| Customers' time is valued | As above plus ease of access for customers, prompt response times and availability of information via website / apps | High level of customer satisfaction. Low number of complaints |
| Customers will be contacted when they need to know something. | As above | High level of customer satisfaction. Low number of complaints. |

Have systems in place to identify and address customer concerns

The insurer must have systems in place to engage customers and listen to concerns and suggestions.

| Requirement | Key actions | Outcomes |
|--|---|---|
| Customer views will be sought on service design and improvement | Dedicated Customer Experience (CX) function that ensures the Voice of the Customer is brought into decision making throughout the business. Complaints framework maps back to customer journey experience. Review all complaints to ensure any learnings and opportunities for improvement are implemented | Processes improved where systemic issues exist. |
| Ensure transparency in addressing systematic issues as they are identified and rectified | Quality Assurance framework Complaint reporting in place. Document the complaints framework. Governance includes the reporting of complaints | Fewer complaints per FTE Better RTW and health outcomes Reduced dispute rates |
| Continuous improvement systems are in place. | Quality Assurance framework Continuous improvement cycle Reward and recognize innovation Decisions by WIRO & WCC (PIC) will be formally communicated to the claims teams to support and educate in relation to the dispute process, ensuring an understanding of how decisions are made and the approach and philosophy of the decision makers | Fewer complaints per FTE Better RTW and health outcomes Reduced dispute rates |

Be accountable for actions and honest in interactions with customers

Customers will receive an acknowledgement when things don't go to plan.

| Requirement | Key actions | Outcomes |
|---|---|--------------------------|
| Customers will receive an acknowledgment when harms are caused, when customer expectations are not met or when legislative breaches occur poor service or behaviour will be acknowledged, and action taken. | Customer communication letters Internal Dispute Resolution Service Senior leadership commitment and sponsorship Customer feedback (surveys, NPS) Complaints process including register Privacy breach process including register | Fewer complaints per FTE |

Discussion

Discussion starters (based on consultation)

- Concerns were raised about accurate and objective measurement against the principles, in particular in adversarial environments and where insurers must comply with scheme regulations and guidelines that may contrast with the customer service conduct principles.
- A requirement for a statement of consequence of insurers not complying with the attestation or making a false attestation.
- It was suggested that the principles accompany a statement of who the customer is and whether the term “customer” is appropriate in a personal injury scheme. It was unclear whether the principles should be extended to 3rd party service providers such as medical service providers.
- Some insurers must already comply with licence conditions and guidelines and questioned whether a new set of conditions is the best way to achieve consistency or whether they were needed. It was suggested that the principles are embedded into existing regulatory instruments.



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