

Individual protection claims report

Spring 2018



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Introduction

At Aviva, we're here to help our customers defy uncertainty. It's why we exist. And it's also why paying claims is one of the most important things we do.



Our customers' voices speak louder than numbers alone can ever do.



Last year, we introduced this report to provide total transparency around the claims we pay. Not just to bust the myth that insurers don't pay out, but also to help our customers and partners understand the reasons why we don't pay out on a small number of cases. And to provide information and guidance to help reduce the number of those cases in future.

In this year's report, you'll see how, in 2017, we paid out an Aviva-record £900m in claims. Helping thousands of customers in need throughout the UK.

You'll be able to learn about the improvements we've made to our claims service during the past 12 months. Such as the introduction of advance payments of up to £11,000 to pay for funeral costs. How we've worked with Macmillan nurses to speed up the time it takes us to pay claims. And the changes we've made to our own internal processes to speed up claim payments and help customers contact us more easily.

And you'll also hear the first-hand accounts of some of our customers who've made claims, whose voices speak far louder than facts and figures alone can ever do.

We're proud that the customers we've spoken to see our claims process as a smooth one – and we'll keep on striving to make it even faster and easier, so people aren't left worrying about money unnecessarily on top of everything else they're dealing with.

But for us, a swift, efficient service is the very least our customers should expect from their insurer. For us, it's about more than simply paying their claim when something goes wrong in their lives. For us, it's also about providing support services that our customers and their families can benefit from – before and after making a claim.

That's why, as well as offering a first-class claims service, we also give our customers access to services like Best Doctors[®], which gives them the option to receive a second medical opinion from international medical specialists. Like Global Treatment, which gives customers access to treatment options not available in the UK. And like Grief Encounter, a charity which helps children and their families to cope when a parent dies. To find out which benefits and services are available with each product, please contact us or speak with your financial adviser.

Through this report, we aim to show the ways we've been there for our customers, to help you understand where we don't pay – and why – and to show the importance of having the right cover in place, something millions of people now do¹. We hope you find it useful.

Jacqueline Kerwood

Claims Philosophy Manager, Aviva

1. Understanding the financial lives of UK adults, Findings from the FCA's Financial Lives Survey 2017

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2017 at a glance



Individual protection claims paid in 2017

We paid out an Aviva-record

£900m

to individual protection customers and their families in 2017.

If you laid this out in pound coins, they'd stretch halfway around the world.

We paid the equivalent of

£2.5m every day

to individual life, critical illness and income protection customers and their families –

or **£1,700 every minute.**

More than

25,000

customers benefitted from individual protection payments.

That's enough to fill the Royal Albert Hall four times over.

Number of customers with successful claims	Life insurance <small>(including terminal illness)</small>	Critical illness <small>(including children's critical illness and total permanent disability)</small>	Income protection <small>(including fracture cover)</small>	TOTAL
	16,314	4,413	4,707	25,434
Amount paid out	£525m £525,513,560	£337m £337,002,576	£38m £38,080,387	£900m £900,596,523

Our consistent track record in paying claims

	Percentage of life insurance claims paid <small>(including terminal illness)</small>	Percentage of critical illness claims paid <small>(including children's critical illness and total permanent disability)</small>	Percentage of income protection claims paid <small>(excluding fracture cover)</small>
2017	98.9%	93.2%	88.8%
2016	98.9%	92.3%	83.8%
2015	98.9%	92.5%	86.0%

Life insurance and terminal illness claims



A financial safety net when it's needed most

Life insurance gives a customer's loved ones a financial safety net to help protect them if the worst happens – giving them invaluable support at what is an incredibly difficult time.

The specifics of different policies vary, but they generally fall into one of the following types:

- Cover for a specific amount of time, for example 15 or 20 years, where the policy pays out if the person covered dies within that period of time.
- Cover for the whole of life, where the policy pays out whenever the person covered dies.

Within these two types of cover, it's also possible to choose different cover types:

- Level cover, where the amount paid out stays the same.
- Decreasing cover, where the amount paid out decreases over time.
- Increasing cover, where the amount paid out increases over time.

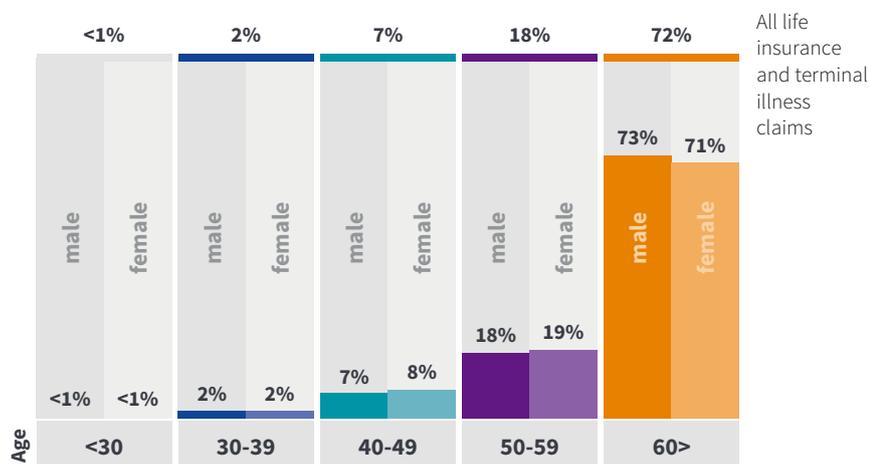
Terminal illness benefit is often included within a life insurance policy, and is there to help customers who've been diagnosed with a terminal illness and have less than 12 months to live. In these circumstances, their policy pays out early to help them sort out their financial affairs before they pass away.

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

A whole new addition to our protection portfolio

At Aviva, we want to help customers with all their protection needs. That's why, earlier this year, we added whole of life insurance to our portfolio of protection products. As its name suggests, whole of life insurance lasts the whole of a customer's life. So customers can feel safe in the knowledge that their loved ones will receive some financial support whenever they pass away.

Age at which life insurance and terminal illness claims were made



What we paid in 2017²

Life claims paid:

16,314
customers

Amount paid out:

£525m
(£525,513,560)

which is nearing the total government expenditure (£557 million) on bereavement benefits in 2016-2017³

Average payout:

£32,212

98.9%

of all life insurance and terminal illness claims were paid



For me, Aviva is the top insurance company and I'd recommend them for the way they accepted my claim with no fuss. I had looked at my policy previously and thought that I wasn't covered with my illness and glad that I phoned and my claim was accepted.

William from Renfrewshire



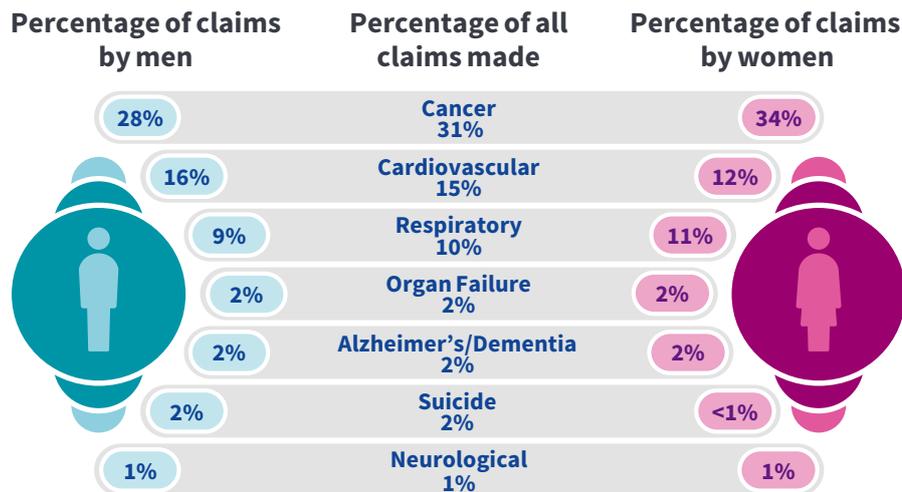
2. Includes life insurance and terminal illness benefit

3. Department for Work and Pensions 'benefit expenditure and caseload tables 2017' Outturn and forecast: Autumn Statement 2017. Total expenditure on bereavement benefits for 2016/17: £557 million

Life insurance and terminal illness claims

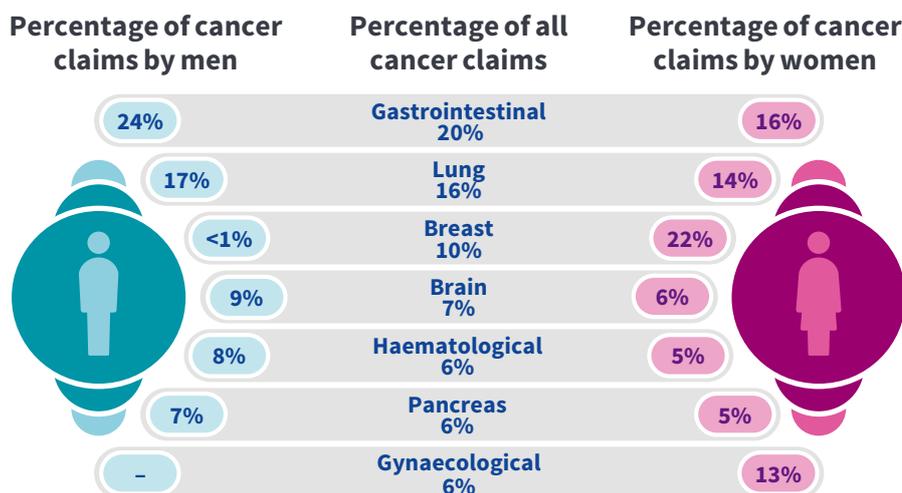


The most common conditions for life insurance and terminal illness claims by sex



The most common cancer types for life insurance and terminal illness claims by sex

(Excludes whole of life)



Outstanding service! From the first contact, everything was explained fully. The claim was settled efficiently for which we are very grateful.

You made everything very easy for us during an emotional time.

Thank you.

Zoe from Bristol



Grief Encounter – supporting bereaved children and their families

Rebuilding a new life after the death of a loved one is hard for everyone, but especially for children and young people. That's where Grief Encounter makes a difference. This wonderful charity helps families address a multitude of challenging issues following the death of a loved one, alleviating the hurt and confusion caused – and promoting healing. With 500 families seen annually and thousands more helped over the phone, we actively promote the services of this all-important charity.

Support with the legal side of bereavement

Many people who've lost somebody are surprised to learn the extent of the legal work that's often necessary. It starts with the legal process of registering the death, followed by administering the estate by identifying assets, liabilities and beneficiaries. Finally, there's the possible tax liability to manage. To help our customers through this process we signpost legal services that help make sure everything is dealt with properly and in accordance with the law.

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. And while we can't take the pain away, we can help customers sort some of the paperwork they need to deal with afterwards. We provide a free 'Practical help following bereavement' guide, covering everything from registering the death to planning the funeral.

More than just a claims payment... our support services

Life insurance and terminal illness claims



Getting the best outcome for everyone

We are committed to paying as many claims as we can. On the rare occasions when we can't, it's usually for one of the reasons below.

Misrepresentation

This is where the customer made inaccurate statements about their health or lifestyle when they applied. They might have done this by mistake, so it's important that customers thoroughly check the accuracy of the information they provide during the application process.

Common errors to look out for include:

- giving incorrect details of their drinking and smoking history.
- giving inaccurate information on their general health including their mental health.
- not mentioning a family history of specific medical conditions or illnesses.

As an extra check, 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.

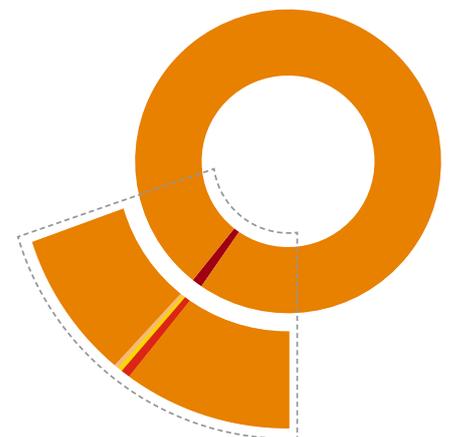
Other policy conditions were not met

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 within the first 12 months of the policy starting.

When we can't pay out

We know that consumers are doubtful and worry that insurers don't pay claims but these figures and the wider protection industry's claims data show that this is simply not true.

In fact, in 2017 just 1% (or 168) 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: 0.54%

■ Misrepresentation: 0.41%

■ Other policy conditions were not met: 0.07%

Advance payments to help with funeral costs

Dealing with the death of a family member is difficult enough without the added financial worries and pressures. That's why last year we increased our advanced payment limits to £11,000 for eligible life insurance claimants. This payment could 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 can now process claims over the phone for certain products (for claims up to £50,000). In these situations, we've seen a reduction in the average time it takes to settle the claim from around 28 days down to just two or three.

Improving our claims service

Critical illness claims



A lifeline for customers and their loved ones

When somebody falls seriously ill, critical illness cover can prove a real lifeline. These policies pay out a cash sum if the person covered is diagnosed with a critical illness (as defined by the policy's terms and conditions). This money can relieve the financial burden of having a serious illness – enabling customers to concentrate on what really matters: getting better.

Policies offer cover for a set amount of time, for example 20 or 25 years to cover the length of a mortgage.

Cover can be:

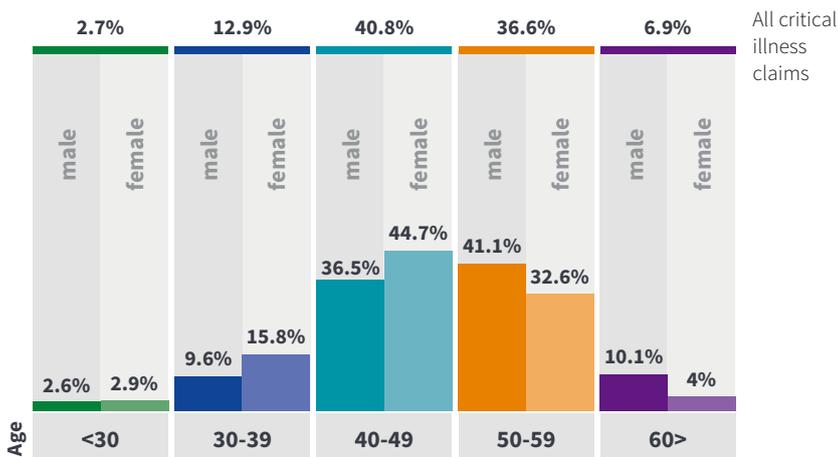
- level, where the amount that would be paid out stays the same over the time of the policy.
- decreasing, where the amount to be paid decreases over time.
- or increasing, where the amount to be paid out increases over time.

Many policies include children's benefit, which pays a cash sum if any dependent children are diagnosed with a children's critical illness covered by the policy, or if they were to die during the policy term.

Critical illness cover is sometimes available as a standalone policy or in combination with life insurance cover. It has no cash-in value at any time.

Critical illness claims by age and sex

(Excludes children's critical illness and total permanent disability claims.)



4. Includes critical illness, children's critical illness and total permanent disability claims.

What we paid in 2017⁴

Critical illness claims paid:

4,413

Amount paid out:

£337m
(£337,002,576)

Average payout:

£76,365

93.2%

of all critical illness claims were paid

Reassurance from a second medical opinion

If a customer is suffering from a serious illness or persistent health problem, getting a second medical opinion can give reassurance they're making the right decisions about their health. That's why we partnered up with Best Doctors®, who give customers access to a global network of renowned medical specialists.



The Best Doctors Expert reviews the case and provides a detailed report, including expert opinion, a confirmation of diagnosis and the most appropriate treatment recommendations.

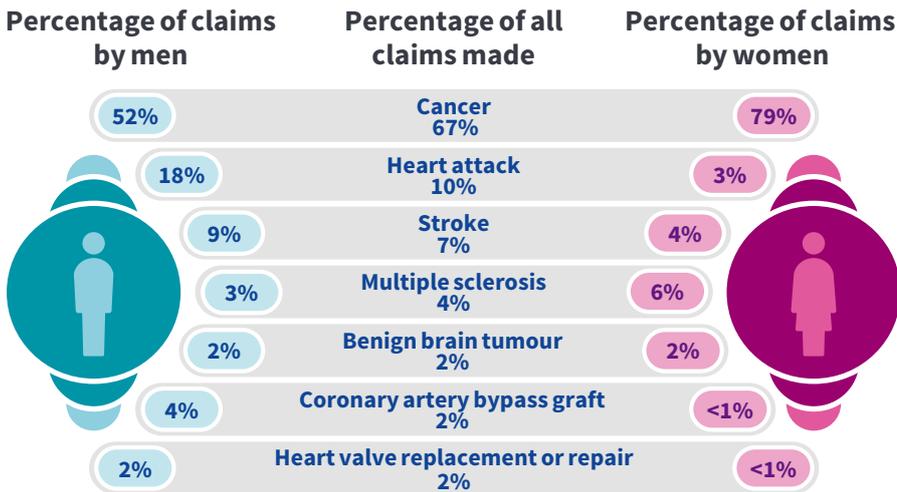
More than just a claims payment... our support services



Critical illness claims

The most common reasons for critical illness claims by sex

(Excludes children's critical illness and total permanent disability claims.)



From 60 days to 24 hours. Speeding up critical illness claims for cancer

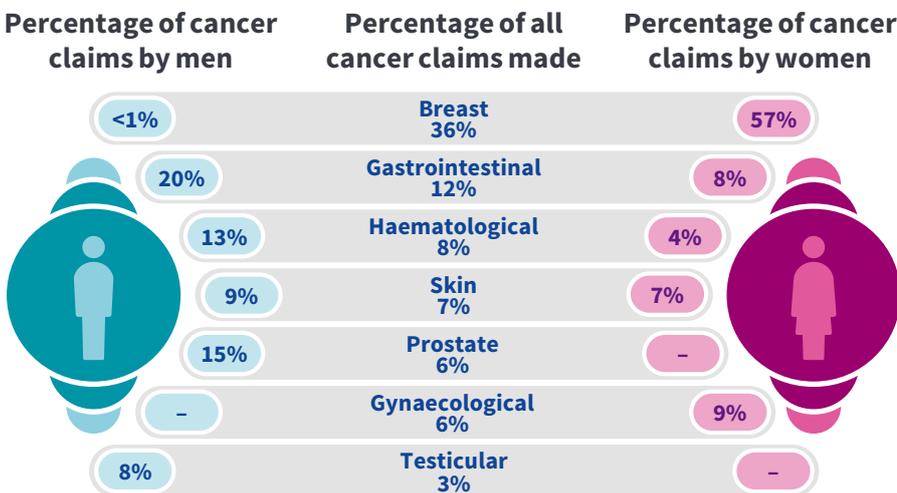
Nearly two-thirds of our critical illness claims are for cancer and our claims team have been testing a new approach to cut claims times from an average 60 days to 24 hours with the help of our partner Macmillan Cancer Support.

It typically takes 60 days for consultants to send us medical reports, but for some customers recently diagnosed with cancer we have started to seek their permission to speak directly to their Cancer Nurse Specialist to verify their medical details and confirm the diagnosis. We get all the information we need over the telephone and we are seeing that in some cases claims can be approved within 24 hours. Cutting time out of claims gives our customers peace of mind at the time they need it most and frees their time to concentrate on themselves.

Improving our claims service

The most common cancer types for critical illness claims by sex

(Excludes children's critical illness and total permanent disability claims.)



Critical illness claims

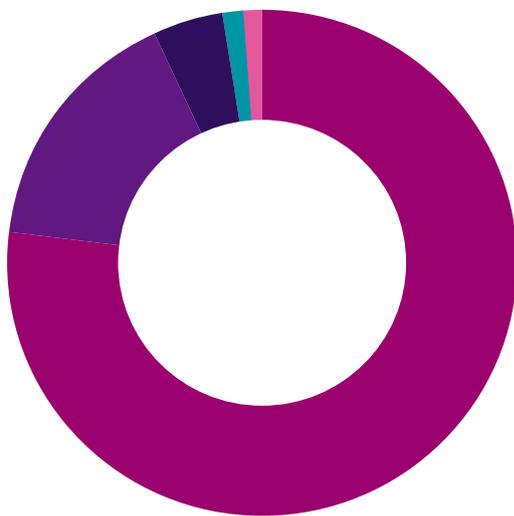


Children's critical illness claims

In 2017, Aviva paid out **£3,808,926** to customers whose children had been diagnosed with a critical illness or condition, supporting them at a really difficult time.

The average value of children's benefit paid was **£18,312**.

The most common reasons for children's critical illness claims



Cancer	67%
Benign brain tumour	14%
Major organ transplant	4%
Stroke	1%
Heart surgery	1%

Children's critical illness benefit paid in the last three years

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

Global Treatment – access to the very latest treatment options

Serious illnesses like cancer and heart conditions are all too common. And while our country's healthcare system is advanced, sometimes the very latest treatment options may not be available in the UK. Global Treatment offers more choice and access to high quality treatment options for our customers and their children. It includes the cost of medical treatment abroad for a number of conditions – plus travel and accommodation for both patient and a companion, a cash allowance and medication on return to the UK – for medications that are not or only partially funded by the NHS.

More than just a claims payment... our support services



Critical illness claims



It's unusual for us to decline a critical illness claim, as the statistics show. 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 2017, the majority were for the policy conditions not being 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 see if we can pay a claim for the potential longer term effects of the customer's illness, such as total permanent disability.

We regularly review our products in light of medical advances – as well as feedback from customers. And on this front, in 2017:

- we improved our cardiomyopathy cover to pay more claims by including more treatment options.
- we improved our spinal stroke definition – removing the requirement to wait for permanent deficit where scans showed damage, allowing us to pay claims more quickly.
- we improved our benign spinal cord tumour definition to allow immediate payment if the customer undergoes one of the defined treatments.
- and we doubled the amount of cover paid for children diagnosed with cancer on our upgraded children's benefit – 67% of all children's critical illness claims are for cancer.

Misrepresentation

In 2017 there were only 1.2% 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 the information was deliberately withheld which may have changed the policy terms or resulted in no cover being offered.

But if we believe the inaccuracy is a 'reasonable' one, or that a simple mistake is the most likely explanation, we'll consider what would have happened if we'd been given the correct information to begin with. This might mean making a reduced claim payment (for example, if the customer had been paying lower premiums than they would have done if they'd included the correct information when applying). Or it could mean that we can't pay a claim because the circumstances of the claim would have been excluded from the policy's cover at outset.

When we can't pay out



■ **Critical illness claims paid out:** 93.2%

■ **Claims we couldn't pay:** 6.7%:

Reason not paid:

■ Claim did not meet the policy definition: 5.22%

■ Misrepresentation: 1.20%

■ Other policy conditions were not met: 0.34%

Maxine's story



Sometimes the need for our services is close to home. Maxine is the wife of an Aviva colleague. After being diagnosed with stage four bowel cancer, Maxine turned to our Best Doctors service for a second opinion from an international medical specialist.

Maxine, 46, had recently returned from holiday in Cornwall in August 2017 when she developed pains in her stomach. Initially, the mum of three and stepmother of one put it down to a holiday bug. But when the pains didn't go away she sought further treatment.

"Eventually I ended up in A&E, the pain got so bad" says Maxine. "I had ultrasound and an emergency endoscopy. That led to a diagnosis of bowel cancer, and further tests revealed it had spread to my liver and lungs. And they told me it was incurable."

Seeking a second opinion

Through her husband's life and critical illness policy, Maxine knew she could access an expert second opinion from Best Doctors, an option currently available as standard to all protection customers who come to us through an adviser.

"We rang them and we spoke to them a bit," she says. "And then they asked for my permission to contact my doctors so they could get all the information they needed. It was all very easy."

"[At time of writing] Best Doctors are waiting for all the reports from my doctors here in the UK. They will then look at it all and a specialist will confirm a diagnosis and any alternative treatment recommendations. My oncologist in the UK doesn't think I'll benefit from surgery on my liver, where the cancer has spread, whereas it's something I'm pushing for."

"My case co-ordinators at Best Doctors have been really good. It's the same two ladies who ring me or email me every week or two, so you're not talking to somebody different every time. They're lovely on the phone and really quite informative."

Time and peace of mind

"Ideally what I want is obviously to be cured. But if Best Doctors say they wouldn't recommend any different treatment from what I'm having, then at least that will give me reassurance that our doctors are doing everything they can."

While Maxine is hoping Best Doctors might recommend something that puts her cancer into remission, she says she would also appreciate any extra time their intervention might be able to give her.

"It's more time with the kids. That's what I'm doing it for," she says. "If they can't cure it then I want to be here for as long as I can. To get my youngest son Dylan (who is 14) as old as I can get him to."

"We're really making the most of this summer, with all of that in mind, having two holidays rather than the one," adds Maxine. "Normally it would just be me, my husband Adam and Dylan. But my grown-up girls are coming with us to Spain, to have a good time and make some memories."

Maxine says that while the period following her diagnosis has been hard, having the support from Best Doctors has made a difficult situation a little easier.

"It does mean a lot," she says. "It stops you having to exert energy and worry. Even if they say there isn't another treatment they'd recommend, you can fully concentrate on the one you're having without any nagging doubts in your mind."

“

It will give me reassurance that our doctors are doing everything they can.

”

Gareth's story



When Gareth's client, Tina, fell seriously ill before her critical illness policy began, they both feared the worst. But good news was to come.

A Financial Adviser with more than 20 years' experience, Gareth's focus has always been on giving his clients peace of mind.

So when long-term client Tina was looking for protection in case ill health stopped her from running her signage business, he recommended she put critical illness cover in place.

Unfortunately, due to some delays in getting medical information, it took longer than expected for Tina and her husband's policy to start. And, sadly, during this time a routine scan revealed some bad news. Tina had breast cancer.

Working for the right result

"Through no fault of her own, Tina was in a position where she didn't have the cover she'd applied for – and the worst had happened," says Gareth.

"The relationship I have with my clients is that they'd expect me to do the right thing for them. So I got in touch with Aviva to make a case for getting Tina's payment."

"It wasn't easy – and I wouldn't expect it to be – but the team at Aviva were professional, understanding and sympathetic. At this stage Tina didn't know what was going on. I felt she was going through enough so didn't need the added pressure of wondering whether she was going to receive a payout."

"We put in a lot of time and emotion to get to the right decision. There wasn't a day went by that we weren't thinking about or doing something towards Tina's case."

A surprise in store

"Although Aviva weren't contract-bound, they recognised that – had the delays not occurred – Tina would have been covered, and so they agreed to pay the claim in full. I don't believe this would have been the outcome for every insurance company."

Gareth says he then made what was the best phone call of his 20-year career.

"[Tina] was in a supermarket buying bin bags at the time," he says. "I told her to sit down – and then gave her the good news. It was such a weight off her mind, and she says she'll never forget buying those bin bags now!"

"The payout she received provided financial security for her and her family, so it meant a huge amount. I strongly believe it had a really positive impact on her recovery."

With the money, Tina purchased a rental property which will bring in an income for her family. It also gave her a project to focus on, as she will not work again. "It's great to know that the payment has been invested in her family's future," says Gareth.

It's just what you do

He adds: "Going to these lengths for clients is just what you do as an adviser. They expect me to be there for them and I make sure I am."



I'm delighted Tina is well on the road to recovery – and that I could make sure she and her family don't have to worry about paying the bills at this difficult time



Roma's story



When Roma needed expensive reconstructive surgery, her critical illness cover was there to help.

“When I bought my flat back in 2002 I took out life insurance” says Roma. “And I also took out critical illness cover at the same time – just in case anything happened to me. I was told that even if I paid off my mortgage early I should continue paying these two premiums”

In 2013, Roma paid off her mortgage but continued to pay for life insurance and critical illness cover.

Then, in January 2016, Roma was diagnosed with breast cancer. “It was a huge shock but I was determined to fight it” she says.

“Fortunately, I had medical insurance through my work so treatment was covered privately. I took a few months off for my treatment and in October 2016 I returned to work. The only outstanding treatment left was reconstruction surgery which was scheduled to take place in 2017”

Unfortunately, shortly after returning to work Roma was made redundant.

I was devastated

Losing her job meant Roma had no regular income or medical insurance, which would have paid for her reconstruction surgery. Without this she faced a wait of more than 16 months for her treatment through the NHS.

“I was devastated when I realised this” says Roma.

To save money, now that she was not working, Roma planned to cancel her life insurance, forgetting she also had critical illness cover.

“I rang up Aviva with the intention of cancelling my policy. I was reminded that I was also covered for critical illness too. When I asked if this included cancer and told them about my situation, I was immediately put through to the claims department.”

“The people I spoke with were absolutely amazing. It was the sympathy and the tone in which they spoke to me. This was the first time I’d needed to claim for any insurance and I had this idea that I was going to have some really tough conversations. But this wasn’t the case at all.”

“I really felt like I was trusted.”

Finally falling into place

“Aviva asked if they could get in touch with my doctors to get more information about my illness and I got a phone call a couple of weeks later saying my claim had been accepted. It was such a relief after everything I’d been through.”

“After losing your job and battling cancer it’s not a great place to be mentally and this payment meant I could start getting on with my life.”

“Having this cover has been hugely important to me. I met up with a friend recently and all we seem to talk about now is who has got cancer,” she says. “It’s a topic of conversation for most people nowadays. And while there are fabulous treatments, you still need to pay your mortgage and the bills while you are unwell.”

“I’ve got a new job now and they’ve been brilliant about me having time off for my surgery so it feels like things are falling into place now. And I’m very grateful for the cover that helped me have private surgery quickly so I could complete my recovery and treatment.”

“

The people I spoke with were absolutely amazing.

”

Income protection claims



Protecting a customer's most important asset. Themselves.

If your income stops, your outgoings usually don't. And that's where income protection comes in. It's designed to replace a proportion of a customer's income if they can't work and suffer a loss of earnings due to illness or injury.

Income protection can help customers and their families maintain their standard of living by helping to pay for regular household outgoings. This can give peace of mind during challenging times when recovery can take months – and sometimes even years.

In recognition of the fact that getting back to work after an illness can be challenging, some income protection policies come with a range of support services to help – which can make the difference between being off for a few weeks or for much longer. See next page for more information.

Income protection has no cash-in value at any time.

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



- Mental health conditions:** 28%
- Musculoskeletal conditions:** 15%
- Cancer:** 9%

What we paid in 2017

Individual income protection claims paid⁵:

4,707
customers

Amount paid out⁵:

£38m
(£38,080,387)

We paid out

88.8%
of claims

Average length of claim across all customers in claim during 2017:

4 years and 33 weeks

Average age at incapacity:

42 years

Percentage of claimants aged under 40:

46%

Percentage of claimants aged 40 or over:

54%

5. Includes 789 fracture cover claims paid to the value of £1,686,788 across our individual protection products.

Income protection claims



Sample benefits from customers in claim in 2017



Occupation:
Engineer

Condition:
Mental health

Monthly benefit:
£1,250

Time in claim to date:
18 years, 3 months

Monthly premium:
£76.80

Time policy in force:
19 years



Occupation:
Admin assistant

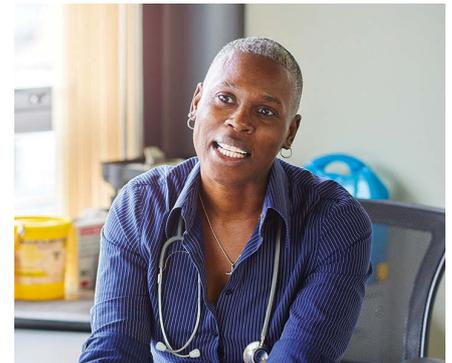
Condition:
Musculoskeletal

Monthly benefit:
£1,175

Time in claim to date:
2 years, 9 months

Monthly premium:
£54.00

Time policy in force:
5 years, 10 months



Occupation:
Doctor

Condition:
Cancer

Monthly benefit:
£8,500

Time in claim to date:
4 years, 10 months

Monthly premium:
£159.70

Time policy in force:
5 years, 6 months

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.

More than just a claims payment... our support services



Income protection claims



When we can't pay out

In 2017, we were unable to pay 11.2% of income protection claims. Just over half of these were 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 3% were declined because the condition being claimed for was excluded, or for other policy criteria not being met. Income protection is designed to pay out if the customer can't work and suffers a loss of earnings due to illness or injury. Occasionally we see claims where there is no loss of income, in which case no benefit will be payable.

Finally, just over 2% 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.



■ **Income protection claims paid out:** 88.8%

■ **Claims we couldn't pay:** 11.2%:

Reason not paid:

- Claim did not meet the policy definition: 6.12%
- Excluded condition, declined under standard policy conditions, or other policy criteria not met: 2.99%
- Misrepresentation: 2.09%

Jason's story



Since being diagnosed with Hodgkin's lymphoma back in 2010, having income protection in place has made a huge difference to Jason and his young family.

Jason and his soon-to-be-wife were about to buy their first home when they decided to take out an income protection policy. "It was something the mortgage adviser mentioned and it seemed like a good idea at the time," he says.

And so it proved.

A birth and a bombshell

In 2010, the same week his second son was born, Jason was diagnosed with Hodgkin's lymphoma – a relatively rare, yet usually treatable form of cancer. "A rollercoaster of emotions," is how he describes his feelings at the time.

"I was fortunate that the cancer has a survival rate of 80%" he says. "So doctors were talking about a treatment plan to cure me. But what I hadn't expected was just how debilitating the treatment would be. It really knocks you – so working was just completely out of the question."

"I contacted Aviva soon after the diagnosis and they were nothing but helpful. You hear horror stories about insurance companies not wanting to pay out but they were totally supportive. It was just a huge relief not having to worry about money at all. I could just focus on having my treatment and getting better."

"After the treatment I expected Aviva to encourage me to get back to work so I would stop claiming. But instead they talked to me about getting back to work at my own pace."

More intense treatment

Jason left his old job and set up a consultancy business to give him more flexibility with workloads. But 12 months later, he had a relapse.

"Again, I was covered by my policy and received both financial support and regular catch ups from the Aviva team," he says. "I went back to work once again but six months later the cancer came back – more aggressively than before – and I had to have some intense treatment."

"Aviva kept in touch with me over the seven years that I was unwell and provided me not just with claims payments but support in getting back to work. I was pleasantly surprised by how supportive the whole process was. I genuinely felt like their main concern was my wellbeing."

'Things are looking positive'

"Now, things are looking positive for me," says Jason. "I've been clear for nearly three years and I can start to plan for the longer term. We're even planning our first family holiday abroad for next year, something we couldn't have even considered a year ago."

"Having income protection has made a huge difference to me. You never think these things can happen to you, but I read recently that from now on one in two people will now suffer from cancer in their lives."

"The good news is that treatments have vastly improved so survival rates are better but you just don't realise the impact it will have on your ability to work, long term. Not having to worry about money meant that I could focus on getting better and make the most of time with my family during some really difficult times."



I hadn't expected how debilitating the treatment would be. Working was completely out of the question.



Karen's story



When Karen's fiancé died suddenly in 2017, she found it difficult to cope. But an income protection policy she'd taken out years earlier helped her to carry on.

"I first took out income protection back in 2010 when I set up my own training business," says Karen.

"To begin with I didn't have it – as there are so many other expenses when you're setting up a new venture. But when you're self employed you soon realise you won't get paid for your holidays or if you're off sick. And I started to wonder: what would happen if I was unable to work? How would I maintain the lifestyle I had?"

"So I took out insurance."

Tragedy strikes

Then in 2017, a year before she was due to get married, tragedy struck. Karen's partner passed away suddenly, aged just 57.

"I never realised the impact that it would have on me," she says. "How difficult it is to carry on a normal life. Doing the job I do requires lots of energy; it requires you standing up in front of people, and I wasn't in the right place to do that. And I knew that if I did that and it went wrong, I'd lose my customers."

At first, Karen says she didn't even think about claiming on her insurance because she assumed it was for physical injuries or illnesses, not for mental wellbeing. But then she spoke to Aviva and found out she could claim.

"It was such a weight off my shoulders," she says. "It meant that I could pay my bills and not have to worry about day-to-day finances when I had lots of other things to worry about at the time."

"I was delighted with the sensitive way the case was handled, how I was kept informed throughout the claim and how quickly things were settled. The last thing you need when you're going through something like this is for things to be complicated, so the fact things were fast and simple was a big relief and made a real difference to me."

'It's been so worth it'

"You never think these things are going to happen to you when you take out your insurance. But looking back, that relatively small outlay meant peace of mind in the long run – and it's been so worth it."

"You never know what's around the corner but if you're thinking about whether to take out protection, think about yourself. Think about your family. If you never need to claim, then consider yourself one of the lucky ones. But don't think of it as a waste of money because it's not. It's given you peace of mind. It's a safety net."

As for the future, Karen is positive. "I'll be going back to work soon as I love what I do. I train people in customer service – it's something I'm passionate about. And I'll be using my experience with Aviva as an example of where I've received really good service."

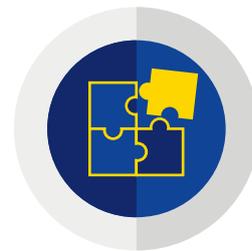
"It has certainly made a big difference to me at a difficult time of my life."



If you're thinking about whether to take out protection, think about yourself. Think about your family. It's a safety net.



Conclusion



As with our first report in 2017, a publication such as this can only ever provide a limited view of the different ways we've helped customers and their loved ones over the past 12 months.

The facts and figures, payments and percentages tell some of the tale, but that's all. Because for every one of the 25,000 customers who made a claim with us last year, there's a story like Jason's, or like Maxine's. Real families dealing with real situations.

Not enough protection for UK families

It's a sad fact that today in the UK many people still do not have financial protection. For example, just 4% of the population have some form of income protection cover⁶. Often, people say it's because they simply don't think they need cover – or because they don't trust insurers to pay out⁷.

Yet the stories in this report from our customers show when the worst happens, having the right cover in place can remove financial worries and give peace of mind at an incredibly difficult time. As our customer, Karen, points out on page 19, "You insure your car, your house and your possessions, yet you are your most valuable asset. Why do you not insure yourself?"

Dispelling the myth that insurers don't pay

Many of the customers we spoke to in the course of writing this report also believed, to some degree, that insurers like ourselves don't want to pay out if they can avoid it. They thought they'd have to go through a bureaucratic and harrowing process at a time when they were dealing with major life events. We're pleased to have been able to help dispel this myth by providing a fast and simple service.

As Jason told us on page 18, "It was just a huge relief not having to worry about money at all. I could just focus on having my treatment and getting better".

Not just 'how much' but 'how'

Paying claims promptly is an important part of what we do – and we continue to find ways to speed up that process. But equally important is the way we pay those claims. We are immensely pleased that the customers we spoke to talked about how they were treated with empathy and were guided through what to do at their own pace.

As Gareth's story shows, on page 13, we're committed to doing what is right for our customers, which means treating each customer as an individual.

Looking ahead

We're proud to have paid out a record £900 million in claims – money which has helped more than 25,000 people and their families get through some of the toughest times of their lives.

And, looking to the future, we're also proud of the role we're playing in helping to improve people's understanding of the need for protection – and of the role we're playing in dispelling the myth that insurers don't pay out.

We want to build trust amongst consumers that they can rely on their protection to do exactly what it's supposed to do. Because, with ongoing changes to provision of state funding and other sources of support during difficult times, we believe this is more important than ever.

6. Understanding the financial lives of UK adults, Findings from the FCA's Financial Lives Survey 2017

7. Mortgages and Mortgage advice, Mintel Group Ltd, UK 2017

Protection **checklist**



As we've seen in this report, having protection in place can be invaluable. To make sure customers and their families have the right cover – and to help when making a claim, have a look at the following steps:

1. When taking out a protection policy:

- Review the details of any existing policies the customer already has. These may include cover from their employer, such as death-in-service or income protection.
- Understand the right type and the right level of cover for the customer and their family. Don't forget to review any exclusions.
- Check with the customer that all the details they have provided are correct – as this determines what cover we can offer, and giving incorrect information may affect any claim they need to make.

2. After taking out a protection policy:

- Customers should review their policy on a regular basis, particularly if their circumstances have changed. For example, if they've bought a house, had children or are getting divorced.
- If a customer does need to claim, rest assured that we'll do what we can to make the process as easy as we can for the customer and their family.
- And remember that many of our protection policies also offer additional support services, such as physio, counselling and rehabilitation support. Helping the customer or their loved ones cope at a difficult time.

We know what a difference having protection can make. And we want to pay as many claims as we can, every year. Following these steps can help make that a reality.

Our customers' voices speak louder than numbers alone can ever do.



Outstanding service! From the first contact, everything was explained fully. The claim was settled efficiently for which we are very grateful. You made everything very easy for us during an emotional time. Thank you.

Zoe from Bristol



Aviva kept in touch with me over the seven years that I was unwell and provided me not just with claims payments but support in getting back to work. I was pleasantly surprised by how supportive the whole process was.

Jason from Portsmouth



It will give me reassurance that our doctors are doing everything they can.

Maxine from Sheffield



“

Having this cover has been so important to me.

Roma from Manchester

”

“

If you're thinking about whether to take out protection, think about yourself. Think about your family. It's a safety net.

Karen from Leeds

”

“

I'm delighted Tina is well on the road to recovery – and that I could make sure she and her family don't have to worry about paying the bills at this difficult time.

Gareth, Financial Adviser

”

Defying uncertainty by being there when it counts

