

Irish Life Protection Claims 2019

Irish Life paid out €212 million to 4175 individuals and families in Ireland, who suffered a death, had a sudden serious illness, had an income protection or a rider benefit claim paid during 2019.

These claim payments helped customers to overcome the adverse financial consequences of these significant events. As a Financial Broker, you can and should be very proud of the important protection advice you provide.

Value of claims paid on average every working day during 2019 by Irish Life Financial Services

- Specified Illness Insurance €228,655
 - Death €590,094
 - Total (including rider benefit claims) €836,511
- per hour €104,563
Source Irish Life Assurance plc 2020

Outlined below are some key findings from Irish Life's analysis of individual claims paid during 2019

Summary of Irish Life claims 2019	Death Claims	Specified Illness Claims
Number of claims paid	2002	919
Amount paid	€147m	€57.1m
Average adult claim amount	€73,688	€62,202
Average age of claimant	65	55
Average duration inforce	18 years	14 years
Partial payment SIC claims	n/a	31
Number of Child claims	68	20

Source Irish Life Assurance plc 2020

Case study: An Irish Life underwriter was assessing a new application where the customer had a previous history of a rare malignant cancer a number of years before and had fully recovered. The underwriter noted that the customer had an older Irish Life in force policy, which had Specified Illness Cover (SIC) on it, but it had not been claimed at the time of the customer's original cancer diagnosis. The underwriter prompted this potential claim to a claim assessor. A SIC claim of €31,400 was paid under the original plan. The customer was obviously very pleased, as they had no idea they were covered for an event like this on their original plan.

Death Claims

Deaths do unfortunately occur at younger ages more often than you might think. For example, 30% of the death claims we paid during 2019 were those aged between of 41 and 60. Only 5% of overall death claims paid were on plans for over €250,000. Bearing in mind average incomes in Ireland and the average cost of living, many young families would need cover in excess of €250,000 to replace lost income as a result of a sudden death.

We paid 23 death claims during 2019 where the death occurred outside Ireland – including from as far away as Philippines, Australia and Russia.¹

Deaths due to malignant cancers accounted for 44% of all death claims during 2019. Cancer as a cause of claim is a good way of illustrating that we can never predict the future. During 2019,



"Under specified illness insurance, the biggest cause of claim continues to be malignant cancer (62%) with heart related (18%), stroke (7%), multiple sclerosis (2%) being the other main areas of claim"

Martin Duffy, Chartered Insurer, Head of Underwriting and Protection Claims, Irish Life

Irish Life paid 98.3% of death claims. The main reason why a death claim would be declined is non-disclosure of a major key material fact on the application form.

We paid seven individual death claims for over €1 million during 2019 – most of the value paid on these plans were to support business related protection cover.²

Specified Illness Cover (SIC)

Under specified illness insurance, the biggest cause of claim continues to be malignant cancer (62%) with heart related (18%), stroke (7%), multiple sclerosis (2%) being the other main areas of claim.

Similar to deaths, we see SIC claims at younger ages more often than you might think. During 2019, almost 60% of our paid SIC claimants were aged between 41 and 60.

We often see specified illness cover claims on plans that were not in force that long. We paid one specified illness cover claim for a malignant pancreatic cancer for €50,000 to a man under a plan that was only in force for one year. We paid a claim for a malignant rectal cancer under a plan than was in force less than 6 months. These are unfortunate but very real circumstances and there was no question of any medical non-disclosures originally. While the average SIC benefit paid during 2019 was €62,000, 25% of claims were for €25,000 or less. The Irish Cancer Society research *The Real Cost of Cancer*³, states that the average loss of income for a cancer sufferer is €1527 per month plus hundreds of euros in additional monthly expenses. So, while a benefit of €25,000 may appear small it can be a huge help from a financial wellbeing perspective, to a person who has cancer.

During 2019 30 additional benefit SIC claims were paid. Irish Life has paid 164 such claims since they were first introduced in 2009. We paid 31 SIC claims on children during 2019. Irish Life cover children from birth to age 25 for SIC on new plans.

During 2019, Irish Life paid 90.8% of specified illness claims. Only 2.5% of the declined claims were because of non-disclosure of a material fact. This high percentage of specified illness claims paid should give you as a Financial Broker, extra confidence in recommending Irish Life protection plans to your customers.

In summary, I hope that knowledge of Irish Life protection claims paid, along with our new market leading 2019 claims flyers, will support you in providing protection advice to your clients.

Case Study: Our claims team received a telephone call from a customer in relation to a possible SIC claim for a malignant cancer on their life. During the initial call with Irish Life's claims assessor, it emerged that the customer's partner, who was also covered under this dual life plan, had unfortunately suffered a stroke. Therefore, we issued 2 claim forms. On receipt of the two completed forms, we were able to pay two SIC claims for €70,000 each, within a week of getting the claims forms.

Sources: 1&2 Irish Life Assurance plc 2020. 3. Irish Cancer Society 'The Real Cost of Cancer' research conducted by Kantar 2019.

Irish Life Assurance plc is regulated by the Central Bank of Ireland