



Press Release

Royal London Ireland first-in-market to launch new, innovative, impact-based protection product ‘Multi-Claim Protection Cover’

- First-of-its-kind offering in Ireland which is designed to be ‘fair, transparent and easy to understand’
- Pays claims based on potential impact and severity caused by a medical condition or treatment, with the potential for multiple claim payouts
- Cover for heart attack, cancer or stroke survivors as well as type 2 diabetics or those with multiple sclerosis

A new, first-in-market and unique protection product has been launched in Ireland by leading protection specialist Royal London, Multi-Claim Protection Cover (MCPC). This innovation is specifically designed to protect customers from an extremely broad range of possible health setbacks that may impact them and their lifestyles. Royal London say the product was developed in line with the progression of modern medicine and is designed to give customers financial support aligned with the impact an illness or condition has on their life. It provides cover for the impact of a serious illness like having a heart attack or receiving cancer treatment. It also covers other major health impacts like a long hospital stay, for example, after a serious road traffic accident, and a range of surgeries.

Speaking about the innovation, Joe Charles, Royal London’s Head of Proposition said;

“When we first set about developing this product from our Dublin-based office, our goal from the outset was to create an offering that was fair, transparent and easy to understand for consumers. Our aim was to provide a protection solution that our customers and their children could potentially use multiple times throughout their life, and one that had payments linked to traumatic health impacts rather than medical definitions. Not only that, but we wanted to ensure that it was great value and affordable cover for consumers.”

“Working with leading global experts in reinsurance, product development, consumer research and after 23 product iterations and 18 months, the team in Royal London Ireland are delighted to have developed what is essentially a first-in-the-world innovation.”

Unique to the Protection market

Multi-Claim Protection Cover has two main differentiators to some of the other protection products available on the market. Namely, it can pay out multiple times for different illnesses over the lifetime of the policy and it can also trigger multiple claim components for one illness. The claims triggers are

designed to be proportionate to the severity of the illness and its impact on the customer's life. In essence, MCPC moves away from paying out on diagnosis of an illness based on a list of often challenging and hard to understand medical conditions and definitions, and instead looks to link payouts to actual life-changing or traumatic health events and their impacts.

Commenting, Joe said,

“Multi-Claim Protection Cover can pay out multiple times to customers – not just once – based on its impact on their lives. Being able to continue cover and stay protected really resonated and was highlighted as very important during our extensive product development research with both consumers and Financial Brokers. The potential for multiple payout components is one of the core tenets of this new proposition.”

Joe went on to say,

“We know that it's an unfortunate fact that people who have had cancer are at a higher risk of getting a second cancer.¹ For example, the recurrence rate for breast cancer is 30%, prostate cancer is around 24-48% and ovarian cancer is 85%.² And did you know that people who have had a stroke have a higher risk of later being diagnosed with cancer?³ MCPC is designed to provide cover in these scenarios and circumstances, as it will pay out on the first incidence of cancer and on the recurrences. It can also trigger multiple claim payouts for one illness, depending on its health impact and the medical treatments required. And finally, cover can also continue after a claim or claims so there is protection for any future health set-backs.”

How does Multi-Claim Protection Cover work?

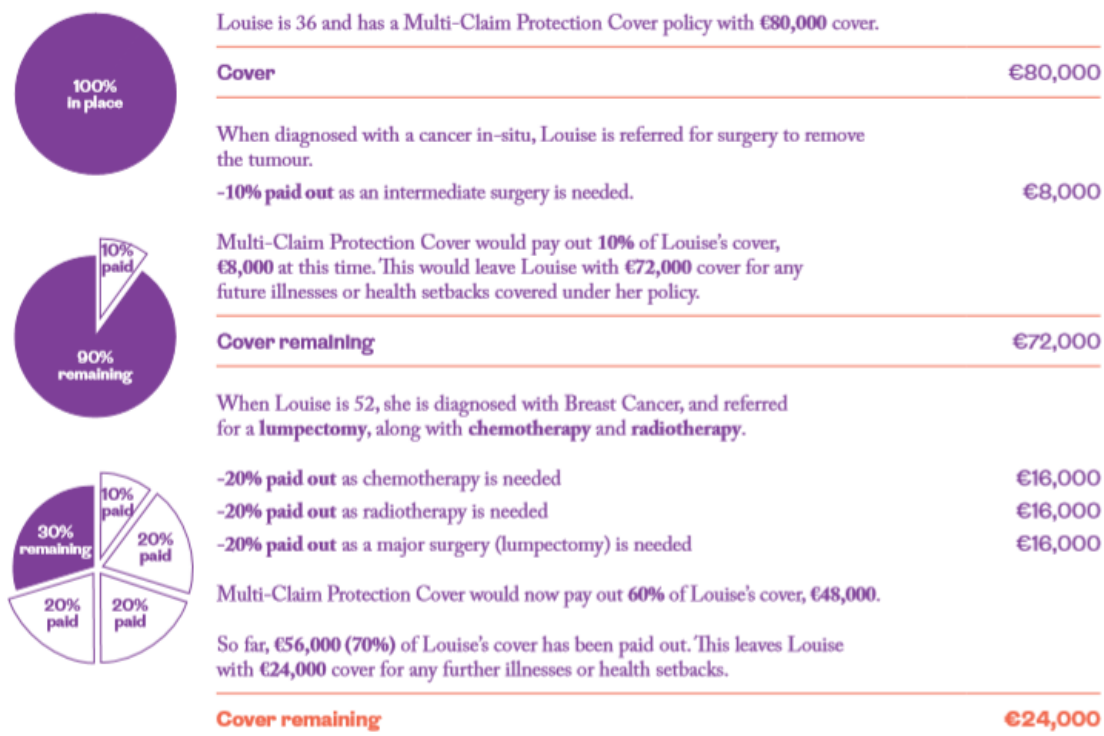
This policy can pay out 5% to 100% of your cover depending on the illness or condition. It can pay out multiple times until 100% of the policyholder's sum assured, or 'pot', is used up. This has the added benefit that cover can continue after a claim until the full amount is paid out. Each claim also has the potential for multiple payout components. Claims are paid for medical conditions such as multiple sclerosis (MS), medical treatments such as chemotherapy, many surgeries including hip replacements as well as for the inability to perform certain day-to-day tasks without help. The policy payouts can be used however the policyholder likes. For example, taking a holiday to recuperate, taking time off work, or making adaptations to their home if needed due to the impact of the illness.

Joe explained,

“Thankfully we are living longer due to medical advancements. Additionally, if you fall seriously ill nowadays you have a much better chance of recovering and living longer post-illness than you would have had even around 20 years ago.⁴ Medical and technological advancements mean that many serious illnesses are being diagnosed earlier and treated more effectively. But with these positive improvements, unfortunately there is a greater chance of later redeveloping the same illness or indeed, a wholly different condition. MCPC has been developed to keep up with these advancements in medical science, by providing cover that can pay out multiple times for multiple illnesses.”

Multi-Claim Protection Cover example

How Multi-Claim Protection Cover could work for a person being treated for cancer.



As this example shows, for some illnesses or treatments, the policy will pay out potentially less than 100% of your cover, keeping the rest in place for any future, possibly more severe illnesses. Of course, for illnesses or treatments that have a more serious impact, the policy pays out a higher amount, up to 100%.

Joe went on to say,

“With a range of payments possible over the lifetime of the MCPC policy and the payouts linked to the severity of the illness or condition, customers who participated in our research found MCPC to be a very compelling product offering and easy to understand. They also really liked the built-in life cover and additionally, the comprehensive children’s cover included in the policy too. The fact that the pricing of MCPC provides extremely good value was naturally viewed very favourably as well. In my 20 years of working in product development, I can honestly say I have never seen such a positive customer reaction. It tested extremely well across all demographics; young and older, urban and rural, those with cover and those without.”

First-of-its-kind offering

MCPC is more inclusive than some other types of protection cover. For example, people who have survived a heart attack, cancer or a stroke can be eligible for this policy. Similarly, some people with type 2 diabetes or MS can, with relevant exclusions, get cover.

Joe concluded by saying, *“Multi-Claim Protection Cover is making protection more accessible to more people which we believe is a really positive development, and one Royal London is very proud*

to bring to the market. To be able to potentially provide financial protection for a customer with diabetes, for example, and give them the peace of mind that conditions to which they are more at risk are covered, like heart attacks, blindness, kidney failure and stroke, is very powerful.”

“Royal London Ireland is very proud of developing this innovation in our Dublin office, with the assistance of our global partners. We believe it will provide an extremely positive Protection solution for the Irish public. And in fact, we know that there is interest in launching this product in other jurisdictions, or a version of it, which is also very pleasing to hear.”

ENDS

Sources:

¹<https://dceg.cancer.gov/research/what-we-study/second-cancers>

²<https://www.cancertherapyadvisor.com/home/tools/fact-sheets/cancer-recurrence-statistics/>

³<https://www.telegraph.co.uk/news/2017/09/06/stroke-survivors-doubly-risk-cancer-scientists-warn/>

⁴<https://ourworldindata.org/life-expectancy#how-has-healthy-life-expectancy-changed>

Appendix

- Multi-Claim Protection Cover (MCPC) product summary:
- It has the potential to pay out multiple times over the lifetime of your policy.
- It gives you cover for the impact of a serious illness such as having a heart attack or receiving cancer treatment.
- It also covers other life impacts, for instance, a long hospital stay such as after a serious road traffic accident or serious surgeries like a hip replacement.
- Life cover is inbuilt into the policy.
- You can also choose to add extra life cover if needed.
- This policy can pay out 5% to 100% of your cover.
- After a claim, your monthly payments (premium) will not change.
- Children's cover and premature birth cover included.
- On average, there is currently a 25% favourable price differential to the nearest comparable product, traditional Specified Serious Illness cover. Or put another way, this means that you can get more Multi-Claim Protection Cover for the same price as traditional Specified Serious Illness cover.

Note to the editor

About Royal London:

Royal London has a history of protecting our policyholders and their families for over 190 years in Ireland, and we're committed to continue to do so for a long time to come. Today we are owned by The Royal London Mutual Insurance Society Limited – the largest financial life, pensions and investments mutual in the UK, with 4,046 people, providing around 8.8 million policies and more than €145 billion in Group funds under management. (Figures as at June 2019).

Royal London's Irish office is based at 47-49 St Stephen's Green, Dublin 2.

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