



Creditor Operations

What is Creditor Insurance?

- An insurance product(s) that protects an insured's debt to a financial institution in the case of loss of life, disability or critical illness.

Who is Canada Life Creditor?

- Over 50 years experience working with major financial institutions
- We currently insure over \$200 Billion worth of loans and mortgages in Canada
- We partner with some of the best financial institutions in Canada to offer custom tailored insurance products.

Why is Creditor Insurance so popular?

- Offers flexibility in terms of coverage/benefits
- Available to most borrowers
- One of the more easier insurance products to apply for

A Tele-underwriting Success Story

A Look Back....

- ✦ Established in June 2002
- ✦ Started as a Pilot for one client with one staff member
- ✦ Restricted to obtaining details regarding specific medical conditions, i.e. no depression, cardiac related conditions, etc.
- ✦ Purpose was to determine whether the underwriting process time and costs could be reduced

- ✦ Within 6 months all Creditor Clients were embracing Tele-underwriting
- ✦ Opened all medical conditions to Tele-underwriting process
- ✦ Staff increased to 6 Underwriting Assistant's who conducted phone interviews
- ✦ Tele staff were assigned to a specific Creditor Underwriting Team

A New Vision

- ✦ In 2006, Tele-underwriting took on a new vision.
- ✦ The unit was integrated into one outbound/inbound call centre - **efficiencies**
- ✦ All Staff underwent extensive cross training sessions in order to manage all creditor clients and products – **increase knowledge base**
- ✦ Moved away from hiring Underwriting Assistant's. Utilized individual's with customer service experience – **cost factor**

A New Vision

- ✦ Introduced specific processes to enhance the relationship between the Underwriters and the Tele-underwriting CSR's - **communication**.
- ✦ Implemented changes to phone technology to better monitor and manage staff – **results driven**
- ✦ Created more detailed reports to measure Tele-underwriting success as compared to traditional underwriting methods – **stats driven**

Let's Compare...

Traditional Underwriting	Tele-Underwriting
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| <ul style="list-style-type: none">✦ Process time averaged between 4 to 6 weeks✦ Continued use of APS and Para's/Bloods(fluids)✦ More abandoned files✦ Increased operational costs due to APS and Para's/Bloods(fluids) & mailouts | <ul style="list-style-type: none">✦ Reduction in process time – apps decisioned within 48 hours of receipt✦ Decrease in use of APS and Para's/Bloods(fluids)✦ Increase in contact ratio✦ Increase in decision ratio based on Tele |
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Successful Stats

Results for 2007

- ✦ 105,236 Applications received
- ✦ 70, 292 directed to Tele = 67% of business received
- ✦ Contact ratio – 60%
- ✦ Decision ratio – 81%
- ✦ Outbound Calls – 168,912
- ✦ Inbound Calls – 10,237

Mitigating The Risk Factor

- ✦ Mandatory Privacy Checks in place prior to conducting Tele-interview, i.e. full name, birthdate, address, insurance options
- ✦ Hard copies of all Tele-interviews are provided to applicants to review along with status (decision) letters.
- ✦ Decision letters include disclaimer advising applicant's that decision based on medical information provided during Tele-interview – stressed to review all information

Fostering Relationships

- ✦ Monthly Meetings to review internal processes between Underwriting and Tele-underwriting area
- ✦ Job Shadowing sessions to help understand one another's role
- ✦ Open communication between Tele CSR's and Underwriters on specific cases (determine best practices methodology)

A Recap..

Tele-underwriting 2002

- ✦ One client, one U/W Assistant
- ✦ Limited medical conditions
- ✦ Increase use of APS/Bloods
- ✦ Increase in abandoned cases

Tele-underwriting Today

- ✦ All clients utilizing Tele
- ✦ We've grown to 18 CSR's
- ✦ Reduced end to end process time
- ✦ Reduced cost of Underwriting applications
- ✦ Increased contact ratio
- ✦ Increased decision ratio

Thank you !!!!

Questions??