



Questions and Answers on Claimant Satisfaction Survey

Attachment to FSCO Bulletin No. A - 06/04

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Questions and Answers on Claimant Satisfaction Survey

These Q's and A's have been prepared to help better understand the contents of FSCO Bulletin, No. A- 06/04.

Q1. What are private passenger automobile insurance claims?

A1. Private passenger automobile insurance claims are claims on risks that are underwritten as a private passenger type of use as defined under the *Insurance Bureau of Canada (IBC) Automobile Statistical Plan*. This means that claims on commercial, public automobile, garages, manufacturer and automobile dealer-type of uses are not to be reported.

Q2. Reference is made to a “closed claim” in the Guidelines for Ontario Auto Insurance Claimant Satisfaction Research. What does it mean?

A2. In the normal course of claims administration, files are kept open as long as there is a benefit entitlement that is claimable by the claimant. One such file is called an “open” or active file. However, when an insurer has paid out all the benefits to a claimant, and has carried out all the supporting activities relating to the benefit entitlement, the file is then viewed as a “closed claim” file.

Q3. The Guidelines for Ontario Auto Insurance Claimant Satisfaction Research apply to what types of claims?

A3. The claimant satisfaction research is to be conducted only among the following four types of private passenger automobile insurance claims: SABS, excluding funeral and death benefit; collision and direct compensation - property damage (DC-PD); comprehensive (excluding glass claims), and glass claims. Commercial vehicle claims, estates, FA claims, and claims where the pay-out is zero should not be included.

Q4. Should insurers who are Facility Association (FA) Servicing Carriers combine their regular and FA data when conducting the survey?

A4. No, FA servicing carriers should forward their FA closed claims register to the FA. The FA will contract with a market research to conduct the survey on behalf of the FA.

Q5. In situations where a company might have difficulty completing the required number of interviews, how should claims be handled where an individual has more than one type of closed claim related to the same date of loss?

A5. If the required number of interviews cannot be completed for each claim type, individuals who have more than one type of closed claim related to the same date of loss should be handled in the following manner. Individuals who have made a SABS claim and any other type of claim should be counted as SABS claimants. Individuals who have made a DC-PD/Collision claim, and one or more of a comprehensive claim and a glass claim, should be recorded as DC-PD/Collision claimants. Claimants who have more than one type of closed claim on the same date of loss must only be interviewed once.

Q6. How should insurers deal with zero pay-out closed claims, such as, where coverage did not exist, the amount of the damage was below the deductible or, where the claim was not allowed for other reasons?

A6. Closed claims with zero pay-out should be excluded from the closed claim register and company's calculations of the percentage summary of complaint type.

Q7. Why must the questions be asked in a specific order?

A7. FSCO consulted with a market research firm who recommended that this approach will ensure continuity from past surveys. In addition, Questions 5 to 8 in the survey instrument must be randomly rotated to ensure no emphasis is placed on any particular element of service being evaluated.

Q8. What would the market research organization we retain need from us to select the sample?

A8. To select an appropriate sample, all insurers must provide their research organization with a closed claims register, with each claim listed on a separate line. Therefore, if a person has more than one claim, they will be listed more than once, with a single claim type on each line. The register is a list of the four types of private passenger automobile insurance claim files that were closed in 2003, **regardless** of the policy year in which the policy was underwritten.

For example, for the survey in 2004, the closed claims register would be made up of the four types of closed claims pertaining to the period January 1, 2003 to December 31, 2003.

NOTE: Research organizations **must** ensure that the sample chosen is representative of the closed claims register of a particular company. For example, if a company's closed claims register is made up of 20 per cent SABS, 50 per cent collision and direct - compensation property damage (DC-PD), 20 per cent comprehensive and 10 per cent glass claims, then the sample chosen should have the same percentages of claims. Sample selection must be random within each claim type, and any missing or wrong phone numbers in the selected sample must be looked-up prior to interviewing. Insurers **must** provide their research organization with a percentage summary of their 2003 closed claims register to enable the research organization to choose a representative sample size.

Q9. Can survey results be weighted by market research organizations for those companies that cannot meet their kind of loss quotas, due to the small size of their closed claims register?

A9. Market research organizations who cannot meet their kind of loss quotas **because they cannot conduct any further interviews** due to a company's small claims register, must weight results by kind of loss to appropriately reflect a company's closed claims register.

NOTE: If the required number of interviews in each claim type cannot be completed from the initially selected records, more records must be selected until kind of loss quotas are met or no more sample is available. If, after these efforts, the required number of interviews still cannot be completed, a report must be generated and provided to FSCO on the outcome of call attempts, to show that every effort had been to complete the study. Market research companies must maximize the number of attempts they make to interview each claimant. Attempts must be made to locate correct telephone numbers and re-contact the claimants in those cases where claimants have moved, or where an incorrect number is listed. Research companies must provide written confirmation that all wrong numbers have been looked-up, and that each number has been called at least five times.

Q10. Are there special technical requirements that the market research firms require?

A10. Insurers should provide their market research firm with the IBC Claim Codes to help identify the claims types. The list of closed claim records sent to the supplier must contain a code or method for clearly identifying the four Claims Type categories.

Q11. Can insurers use market research organizations that are not members of CAMRO?

A11. No, insurers must retain only market research organizations that are members of CAMRO. Deloitte and Touche conducts regular audits of CAMRO members' research procedures to ensure that CAMRO standards are being met.

Q12. When are the survey results to be submitted to FSCO?

A12. The results are to be submitted to FSCO by **May 14, 2004**.