

Development and implementation of a novel return-to-work support package to improve income protection insurance in the UK

*DISABILITY & WORK IN CANADA CONFERENCE
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Presented by: Etuknwa, A. (KTP Associate)
Academic lead: Dr Serena Bartys (University of Huddersfield)
Co/supervisor: Prof Kim Burton (University of Huddersfield)
Company lead: Stephanie McCahon (Swiss Re)



Good Work, Good Health
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Agenda

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- + Proposed KTP Innovation (pre-claim contact=early intervention)
- + Rationale for early contact as an innovative approach
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About the KTP programme/ Funding

- + A new two-year Knowledge Transfer Partnership (KTP) between the University of Huddersfield and one of the world's leading reinsurance companies – Swiss Re
- + This could change the way the UK insurance industry manages early stage sickness absence.
- + It has been labelled by the Government as a market innovation.
- + Funding: UK Research and Innovation through Innovate UK + Swiss Re.

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Problem statement

- + Work loss due to ill health is a global concern with substantial burdens on the economy.
- + In the UK, in 2018, 25,843 income protection claims were made paying out over £648m (Association of British Insurers).
- + Swiss Re paid £83m to 10,622 people.
- + Lengthy sickness absence claims persist; current income protection policies do not align with the evidence base.
- + Instigating a need for an evidence-based policy; reducing claims costs with overall benefits for workers and society (reduced sickness absence).

Setting the scene

- + Over the last decade, Swiss Re have come to realise that aside from;
 - Providing workers with a salary replacement and
 - Good healthcare
- **People taking sickness absence need extra support in the “early” stages.**
- + In the UK, insurance companies, especially reinsurers such as Swiss Re, are not usually in contact with policyholders until they make a claim, which is often after several months of sickness absence, due to;
 - Paid periods offered by employers,
 - Statutory sickness benefits, and
 - Deferral periods on income protection policies.

Proposed KTP Innovation

- Offers policyholders **evidence-based support in the early stages of absence.**
 - Pre-claim support will form part of Swiss Re's enhanced income protection policy; development and implementation of an insurance-led "RTW support package" tailored across the client chain (insurers-policyholders).
- + How do we intend to carry out this project?
- ✓ Proposed RTW support package will be developed using world-leading research conducted by the University of Huddersfield, as well as Swiss Re's industry knowledge on income protection insurance.
 - ✓ Explore how Swiss Re can deliver the proposed RTW support package to policy holders through the insurer (their clients), as part of an income protection policy.
 - ✓ Engagement across the client chain will be closely monitored and will inform the 'end product'.

Rationale for early contact as an innovative approach?

- Tested and proven in the Netherlands;
- Workers taking sickness absence completed a legislated RTW plan in the **early stages of absence**, with input from employers.
- Outcome: National work loss was reduced by a third.
- A deviation from current UK insurance standards/systems.
- Therefore, a pre-claims self-managed RTW support package, offered as part of an enhanced income protection reinsurance product for insured workers, will be a radical innovation in the UK.

Sickness and disability scheme in the Netherlands.

<http://www.oecd.org/social/soc/41429917.pdf>

https://yhteisomedia.fi/files/attachments/k_paivat_2015/tr4_mittag.pdf

Conclusion

- + Good work is important for good health.
- + The RTW plan aims to provide good work which includes early involvement from employer in supporting work health and recovery.

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Any questions or comments?