



FCA COST OF LIVING CUSTOMER SUPPORT POLICY

INTERNAL AND EXTERNAL USE

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1. INTRODUCTION

The FCA published a 'Dear CEO Letter' on 29th September 2022, which outlined their expectations on how firms should treat consumers affected by the ongoing cost of living challenges. There are 5-key areas Health Shield should address as part of this letter:

- Consumer Duty
- Supporting customers with vulnerable characteristics
- Customers in financial difficulty
- Service levels
- Claims processing

During the Covid-19 Pandemic, Health Shield introduced several measures to alleviate financial pressures faced by customers and adjusted some processes and procedures to ensure they were fully supported during this difficult time.

These measures have been re-introduced to support customers who maybe experiencing financial difficulty as a result of the ongoing cost of living challenges.

2. CONSUMER DUTY

The FCA published new Consumer Duty rules (PS22/9) on the 27th July 2022. Health Shield are currently working through an implementation plan which consists of discovery, delivery and implementation, to ensure Health Shield adhere to the new rules for open products or products offered at renewal. This plan must be completed by 31st July 2023. The date has been extended until 31st July 2024 for closed products.

2.1. TRAINING

To deliver the cultural change expected by the FCA, all staff will require training that enables them to understand their obligations under the Duty and the new individual conduct rule. The Senior Management and Certification Regime sets clear expectations in terms of senior management's responsibility for compliance with the requirements and standards of the regulatory regime.

3. SUPPORTING CUSTOMERS WITH VULNERABLE CHARACTERISTICS

Vulnerabilities can be heightened during stressful periods, such as the increase in the cost of living. Customer facing teams have received basic training in how to identify customers with vulnerable characteristics and a 'Vulnerable Customers Policy and Vulnerable Customers Support Guide' are also available to all staff. Annual vulnerable customers e-learning and a face-to-face workshop will also be delivered to customer facing teams.

Teams are trained to provide customers with reasonable adjustments where appropriate, to ensure they can effectively use our products and services and achieve good outcomes. Reasonable adjustments may include:

- an e-mail summary may be sent to the customer to clarify key points of a phone call,
- literature may be sent in large font to ensure this can be read easily,
- a claim maybe be verified to reduce additional stress/anxiety for the customer, and
- we may choose to accept a paper claim via e-mail as opposed to asking the member to post this to us

The customer can consent to having a 'CARE' interaction logged against their membership, to ensure service can be tailored without the need for them to repeatedly explain their individual circumstances.

Eligible customers can be referred to our Employee Assistance Programme (EAP) and 24/7 Counselling and Support Helpline (0800 028 1963) for practical information and emotional support for issues relating to family, bereavement, trauma, relationships, stress, money management, debt support and more.

In addition, customer facing staff, can assess the needs of the customer and promote relevant services already contained within the 'MyWellness' resource hub to support their individual needs. (These services are dependent on the membership type and may not be eligible to all customers).

- **My GP Anytime (Health Hero)** – *This allows customers to speak to a GP over the phone 24/7 at a prearranged time to suit them, this can include a face-to-face video chat on weekdays from a mobile, tablet or laptop device*
- **My Wellbeing App - Thrive Support** – *Customers can use the Thrive NHS-approved app that contains tips and techniques to help them monitor and improve their mental health*
- **My Cancer Screening** - *We can offer cancer testing kits which are self-administered through a finger-prick blood test and can check for the most common cancers such as prostate, ovarian and bowel*
- **My Home Assistance (Grace Consulting)** - *My Home Assistance can provide practical hands-on support to customers after a hospital stay of two nights, or more. It is available to the customer, their partner (if covered), and their parents and their partner's parents (partner must be covered)*
- **My Online Health Assessments (Health Assured)** – *We can offer customers our easy-to-access online health assessments to help them make simple positive changes to their lifestyle. These can be accessed via My Health Assessments at www.healthshildeap.co.uk*
- **My On-Demand Physio (Physio Med)** – *This service gives customers direct access to a qualified Physiotherapist. They can organise a phone or video call with the most appropriate medical professional within 72-hours and get a personal diagnosis and recovery programme, with ongoing support throughout*
- **PERKS (Benefit Hub)** – *PERKS is an exclusive rewards scheme that customers can use for discounts and money back on everything from fashion, holidays, entertainment, car hire, health and beauty and even weekly shopping*

Teams are also aware of internal and external signposting options available. A full list can be made available on request.

4. CUSTOMERS WITH VULNERABLE CHARACTERISTICS & CUSTOMER DUTY

Customers with vulnerable characteristics will also be considered during the Consumer Duty Project. Considering vulnerabilities at all stages of the customer journey and life cycle, throughout this project will help to identify any barriers and provide an opportunity to take corrective action. Successful implementation of Consumer Duty and being able to deliver good outcomes, will also support customers facing financial hardship and enhance the service we provide to customers with vulnerable characteristics.

5. CUSTOMERS IN FINANCIAL DIFFICULTY

Customers experiencing financial difficulty can be deemed as vulnerable and may require additional help and support. Any members contacting the Society citing financial difficulty, should be directed to the Customer Care Team who are specially trained to handle calls of this nature. Extra care, as listed in the 'Supporting customers with vulnerable characteristics' section 3, should be provided to ensure we are consistently helping in the best possible way.

Following on from Policy Statement PS23/9 published in July 2023, we will proactively identify and support any customers who are experiencing financial difficulty and ensure we are putting their needs first and acting to deliver good outcomes. Our aim is to help our customers maintain an appropriate level of cover and reduce the risk of them losing cover which is important to them.

Examples include:

- Suggesting downgrading level or type of cover if a customer has made contact to cancel their cover i.e. reducing from a 'topped up' level to a 'company sponsored' level or reducing cover type i.e. from 'Family' cover to 'Individual' cover
- Proactively making contact with customers who have missed a payment or cancelled a Direct Debit (DD) to understand if any additional support is required
- Connect/Direct/Corporate Members can cancel their cover for up to 6 months and re-join with no qualifying periods. It is important to note, that any treatments/or purchases made during the cancellation period would not be covered. There is however the option for the member to re-join and repay any missed contributions to maintain continuous cover, meaning any eligible treatments or purchases relating to the cancellation period would be paid
- Offer companies the option to defer contributions for up to 6 months and extend their claims year by the number of months the deferral is active. Eligible claims would only be paid if the company opted to re-pay any arrears after the deferral period ended. If arrears were not brought up to date, any treatments or purchases would be rejected during the break in cover
- Share the appropriate support we can offer in customer communications
- Provide signposting to external charity organisations or internal support
- Allow companies who fall below minimum scheme rules i.e. less than 3 staff, to continue and review scheme suitability at renewal

Customer facing staff members have access to a Cost-of-Living Customer Support Procedure. Any member or company in financial difficulty should contact the Customer Care Team on 01270 588555 to explore the options available to them.

6. SERVICE LEVELS

To ensure we are providing an excellent service offering to all customers operational teams work towards both individual and team Key Performance Indicators (KPI's). Resourcing levels are monitored regularly to ensure that service levels are achieved. Multiskilling is key and resource is shared across teams to maximise operational performance. KPI's are tracked at a monthly Management Meeting and customer feedback is monitored via Customer Satisfaction Surveys, Trust Pilot reviews, and complaints monitoring.

Processes are clear, transparent and do not pose unreasonable barriers for customers. Processes to amend policies/level of cover or cancel/renew policies are accessible and timely.

7. CLAIMS PROCESSING

As a business, we are acutely aware that customers expect a prompt and fair service when paying claims. This is elevated during the ongoing cost of living challenges, as customer's maybe experiencing financial hardship and/or vulnerability. We pride ourselves on handling claims promptly and fairly, targeting the Claims Team, to process 93% of claims within 2-working days, whilst following robust documented processes and procedures. There are also secondary checks and monthly quality assurance checks in place to ensure the fairness and quality of claims paid. Although fraud detection checks are in place, these do not unreasonably delay the processing of claims.

8. RELATED POLICIES

This policy should be read in conjunction with -

- Vulnerable Customers Policy

9. APPROVAL

This policy has been approved by the Executive Committee and will be reviewed and re-approved by the Executive Committee annually.