

Fast-growing life insurance player BrightRock introduces market leading Advanced Underwriting – no HIV blood test required for qualifying clients

Tuesday, 23 August 2016. – Fast-growing life insurance player BrightRock today announced that they will fast-track qualifying clients' new business journey to take the pain out of applying for life insurance cover by waiving the common industry requirement of a nurse visit for an HIV blood test.

"In the same way we have removed many of the traditional barriers to claim since our market entry four years ago, we've now applied our minds to also remove some of the barriers clients and advisers face during the traditional new business journey," says Schalk Malan, executive director of BrightRock.

"BrightRock's Advanced Underwriting approach means that clients who meet certain criteria can now progress from tele-underwriting to policy activation without any unnecessary delays. It also makes BrightRock the first provider in the intermediated, fully underwritten individual life cover market to have waived the requirement of HIV testing in the underwriting process for qualifying clients, for these cover levels."

Malan explains that BrightRock has always offered clients and advisers the convenience of tele-underwriting and currently in excess of 65% of all BrightRock clients elect to make use of this convenient service. However, prior to the introduction of their new Advanced Underwriting option, all prospective policyholders were expected to undergo standard blood tests for HIV, as well as tests such as blood sugar (blood glucose), cholesterol (serum cholesterol) and randomised cotinine tests. This is a standard market practice and BrightRock is the first provider in its category to forego it.

Prospective policyholders who take out needs-matched cover of up to R10 million per benefit and sign up for tele-underwriting will not require any standard blood tests if they meet the following criteria:

1. They are 55 years old or younger and have at least a Matric;
2. Are employed and earn R35 000 per month or more
3. They take out a needs-matched policy that fully utilises the benefits of BrightRock's efficient, sustainable product structure.

In the event that specific risk-increasing factors are picked up during a client's tele-underwriting call, the client may be expected to follow the standard underwriting procedure, including the nurse visit and blood tests.

"The introduction of Advanced Underwriting potentially eliminates procedures that some clients may see as onerous and intrusive. Clients had to go through two steps – the completion of a medical questionnaire *and* a nurse visit for blood tests. We've also eliminated one of these steps for the majority of clients, thereby also eliminating some of the hurdles advisers face in the new business journey," Malan says.

"The introduction of Advanced Underwriting further harnesses technology to reduce onerous sign-up processes. We have always offered clients the convenience of tele-underwriting and electronic signatures to save on time and paperwork, but the introduction of the new process takes it a step further. In addition to this, the fact that our tele-underwriting is done by trained medical professionals substantially reduces some of the risk for client and adviser.

“We have found that cases that are not tele-underwritten have a 32% higher rate of claims being denied due to non-disclosure. For clients who qualify, this means that applying for needs-matched life cover can be truly quick and painless for both the clients and their advisers.”

The introduction of Advanced Underwriting to intermediaries was accompanied by an update on BrightRock’s business performance to date, particularly with regards to its claims experience. BrightRock recently celebrated its fifth birthday – the company was founded in 2011 and entered the intermediated individual risk market in 2012. Since then, it has grown substantially, as shown by the latest figures at the end of the financial year, 30 June 2016:

- Total cover in force: R123 billion
- Total annualised premium income (API): R595 million
- Year-on-year growth in API: 72%
- Increase in amount paid out for claims between 2015 and 2016: 85%
- Number of accredited independent advisers: 3 400
- Total claims paid to date: > R220 million
- Highest claim paid to date: R16 million
- Lives insured: > 500 000
- Employees: > 350

Malan believes the introduction of Advanced Underwriting is further evidence of BrightRock’s dynamic, needs-matched approach and that it will further entrench BrightRock’s position as the fastest-growing provider in its category.

About BrightRock

BrightRock was started with the goal of creating insurance products that truly meet consumers’ and financial advisers’ needs. It offers individualised, needs-matched life insurance cover that’s built around your specific needs at the outset, and is specially designed to change with you as your needs change. And because BrightRock’s cover is flexible and changes appropriately when your needs change, it’s more efficient. This means both your cover and your premiums remain relevant, and more affordable, throughout your life. BrightRock (Pty) Ltd, underwritten by Lombard Life Ltd, is an authorised financial services provider.

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