

Delivering Good Outcomes:

Improving protection for a large corporate client

The problem

Our client, a company in the construction industry with 400 employees across mainly the South West, appointed us after previously working with a large, well-known Employee Benefit Consultancy for several years.

Once we reviewed the details of their policies, we came across some issues.

The issues

The client was experiencing a range of problems with their protection products due to the way they had been set up.

The Private Medical Insurance (PMI) scheme had administration issues and the previous intermediary had not been updating the insurer with membership changes, which could have resulted in claims not being paid or being delayed. On the Group Life Assurance Policy, the Trusts had not been correctly set up which could cause Inheritance tax liability issues on claims. In addition, employees who had secured some form of pension protection were not set up under the correct scheme, potentially putting their pension protection at risk.

On the Income Protection policy, the Board had promised to pay anyone in full for long term sickness. This commitment was not correctly covered by the insurance in place which would not have paid out in certain circumstances, added to which the company were paying insurance premiums for benefits they would not be able to claim.

The solution

On appointment our team were able to apply various solutions to the problems the client was facing across their policies.

To address the administrative and data issues around the PMI scheme, an online solution was put in place which simplified the update process and always allowed the team to have full sight of the data.

For the Group Life Assurance, the team created new bespoke Trust Deeds for the client and the correct employees were insured under the correct Trust.

On the Income Protection policy, the team ensured that the business understood exactly what level of insurance they had in place and that the premiums they were paying were correctly calculated and adjusted.

How it helped

The administrative and data issues for the PMI scheme were time-consuming for the client's team, so resolving these has meant a reduction in the management time required to deal with them.

The amendments made to the Group Life Assurance policy have brought it in line with legislative requirements and removed risk. Changes to the Income Protection policy have resulted in a direct cost saving to the company as well as improved understanding of the policy coverage.

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