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F&TRC LAUNCHES NEW CHILD CRITICAL ILLNESS ANALYSIS FOR ADVISERS

- **F&TRC LATEST REVIEW PROVIDES A NEW APPROACH TO COMPARING CHILD CRITICAL ILLNESS COVER BETWEEN INSURERS**

Financial research consultants F&TRC has unveiled new functionality within Quality Analyser to assess Child Critical Illness (CI) Cover using medical professional assessments and data analysis across age, condition type and insurers.

Over the last year an increasing number of insurers have updated their child critical illness definitions on their propositions. Quality Analyser, F&TRC's adviser research hub, has been updated to help advisers better understand the changes, provide greater insight on the conditions that are most likely to affect their client's children and which insurers have the broadest coverage.

F&TRC's medical panel have analysed each insurer's child definitions and scored each one from 0 to 100 based on the chances of a client being able to claim if their child was diagnosed with each condition. To help advisers compare child CI propositions, F&TRC's medical panel have also sourced age banded incidence data which identifies which conditions are more prevalent at different ages of childhood. By capturing the child's date of birth, gender and the term of the plan, F&TRC is able to understand which conditions a child is most likely to suffer from during the policy and apply weightings accordingly to produce an overall comparison of insurer child CI propositions.

The analysis showed that there are dramatic differences in the conditions that could affect a child throughout adolescence and those conditions that may affect a child in its first year of life.

Table 1: prevalence of four different conditions during a child’s life.

Condition	Incidence per 100,000 of the population per year				
	Aged 0-1	Aged 1-4	Aged 5-9	Aged 10-14	Aged 15-19
Heart valve replacement or repair	40.3	5.9	5.5	4.9	4.8
Hydrocephalus	43.8	4.4	3.1	3.1	2.3
Crohn’s Disease	0	0.51	2.7	10.1	16.1
Cancer (Stage 1-4)	13.4	14.7	8.7	9.6	12.3

Source: www.qualityanalyser.com

Similar analysis has been carried out on conditions which would only be diagnosed during pregnancy or at birth such as Cerebral Palsy and Down’s Syndrome. These are analysed separately from the general Child CI analysis as they are only relevant if a client is expecting or planning to have children in the future.

Adam Higgs, Head of Research – Adviser Services at F&TRC said: “The Child CI market has evolved considerably since it was first introduced in the 90s. Advisers have flagged to us that trying to compare the various options and to know what offering is best for their clients is now incredibly complex. With F&TRC using an age-banded approach to review the child CI conditions available, advisers will be better placed to focus on the cover that is most appropriate for their clients, given the age and gender of their child or children.”

Roy McLoughlin, Associate Director at Cavendish Ware, said: “Child CI is continually evolving and this approach to comparing the cover available by F&TRC will be of value. Firstly, in having a better understanding of the various conditions covered and then crucially to be able to focus on the conditions that will really matter to my clients. Also, most importantly, establishing the providers who are most likely to pay a claim. The level of detail will enable advisers to ensure we continue to identify the best possible cover for clients in an increasingly complex market.”

Adviser firms who wish to access Quality Analyser should visit www.advisersoftware.com

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About F&TRC

Established in 1995, the Finance & Technology Research Centre (F&TRC) is a specialist research consultancy.

The company has four key areas of activity:

- Facilitating industry collaboration in the life assurance and long-term savings industries via a range of forums which bring together leading players from manufacturing, distribution and support services to identify where working together can achieve better outcomes for consumers and the industry.
- Research and benchmarking through the delivery of software and ratings to help financial advisers compare the quality of financial products, available at www.advisersoftware.com
- Insight reports which focus on key strategic issues such as the future of financial advice and how organisations can enhance the quality of their services to consumers.
- Bespoke consultancy on any of the above.