

The BrightRock Brief

More about Trauma IQ



BRIGHTROCK

BrightRock Life Ltd, an authorised financial services provider and registered insurer (FSP 11643 Registration number: 1996/014618/06)
Sanlam Life Insurance Ltd, an authorised financial services provider and registered insurer (FSP 2759, Registration number: 1998/021121/06)
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Since the launch of Trauma IQ, more than half of our claims arising from accidents and traumatic claims were Trauma IQ claims. These claims wouldn't have been covered without Trauma IQ, and aren't covered by any of our competitors.

With more than 300 conditions covered, BrightRock's additional expense needs cover is the most comprehensive offering in the South African life insurance market. Even with this extensive additional expenses cover, we found that there are still relatively severe things that could happen to a person that don't meet one of the definitions but would still result in additional expenses. We realised that there was a very big gap across the industry, and that's why we developed our Trauma Impact Quotient assessment.

Trauma IQ broadens the scope of our additional expense needs cover and takes into account the impact of a trauma event on your clients' lives.

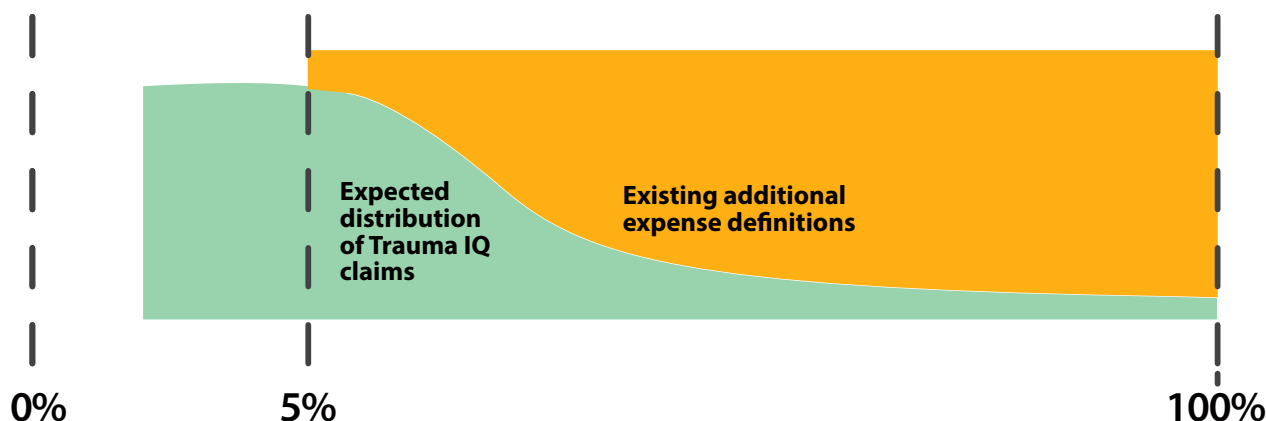
Traditional assessment criteria focus on the diagnosis of a client's condition, or on the specific procedure done to treat the client's condition. However, even with these criteria a number of scenarios still exist where clients' trauma claims don't qualify for a pay-out with any provider, regardless of the number of conditions they cover.

Our claims experience and in-depth analysis found that traditional assessment criteria consistently fail to consider certain factors when it comes to the additional expense needs claims of clients who have suffered a traumatic injury. Even though clients might not meet these traditional claims criteria, they might still have incurred substantial additional expenses (like hospitalisation, surgery and significant rehabilitation). Trauma IQ caters for exactly these overlooked factors.

Potential component of a disease/injury event:



While it's easier to specify and list more severe traumatic definitions (like paralysis, coma, loss of limbs, etc.), it gets a lot harder to define a condition or procedure for less severe cases that still cause additional expenses. The frequency of less severe events is also higher but that doesn't mean clients are any less deserving of a claim payment.



How we define a trauma event

For purposes of the Trauma IQ assessment, trauma is defined as:

- an injury suffered solely as the direct result of external, unforeseeable and visible means; and
- occurring independently of other causes within four weeks of the acute accidental event.

Before the claim can be assessed to see if there is a pay-out at all under our Trauma IQ assessment, the event must meet the definition of a trauma as set out above. If it does, we'll then take the nature of the claim event, and the severity of a number of factors into account to determine if there is a pay-out and what percentage pay-out is due. The complications must be the direct result of the trauma event. While clients must meet the criteria above for us to consider the event as a "trauma", simply meeting the definition of a trauma doesn't guarantee a pay-out under the Trauma IQ assessment. For example, while tripping and spraining your ankle may meet the above trauma criteria as well as qualify to be assessed, the outcome of the assessment and resulting impact will not be severe enough to generate a successful Trauma IQ claim or pay-out.

We evaluate the impact of a trauma event using consistent guidelines

The Trauma IQ assessment looks at nine different factors that affect the impact and severity of a traumatic injury. Each element is assigned a number of points. These points are then combined to provide an overall Trauma IQ score. The maximum number of points that can be assigned to each factor varies because the impact the factor has on a client's health, and financial needs, will vary. We use a calculator (which is patented) so that clients can be assured that we apply consistent outcomes.

Impact elements and the minimum criteria

	Impact element	Minimum criteria to qualify for a claim
1	Emergency treatment	Not applicable
2	Surgery	20 minutes
3	Hospital – ICU	Half a day
4	Hospital – High Care	Half a day
5	Hospital – General ward	One full day
6	Rehab – Past sessions	Three sessions
7	Rehab – Future sessions	Three sessions
8	Home nursing	One full day
9	Temporary failure of the BrightRock Activities of Daily Living (ADLs)	Failure of two ADLs for a minimum period of three days

It's important to note that these elements are designed to work together to generate a pay-out for the client. Some of them don't trigger a Trauma IQ payment just on their own – for example rehabilitation (past or present) and home nursing. But when considered together with the other elements, these factors will result in a score accurately based on what happened to the client and may result in a score warranting a Trauma IQ payment.

The client's pay-out is calculated based on their Trauma IQ score

Once the client's score for each element has been determined, the Trauma IQ assessment adds together their scores, taking into account any cross-factors. These scores map to a set pay-out percentage based on the overall severity and impact, as determined by the Trauma IQ assessment.

The pay-out will be calculated as the Trauma IQ pay-out percentage multiplied by the maximum cover amount – that is, the lower of the additional expense needs cover amount or R500 000.

If there is a pay-out for the member, it will be one of the following percentages:

Trauma IQ pay-out percentage – member									
1%	2.5%	5%	7.5%	10%	12.5%	25%	50%	75%	100%

If there is a pay-out for a child of the life insured, it will be one of the following percentages:

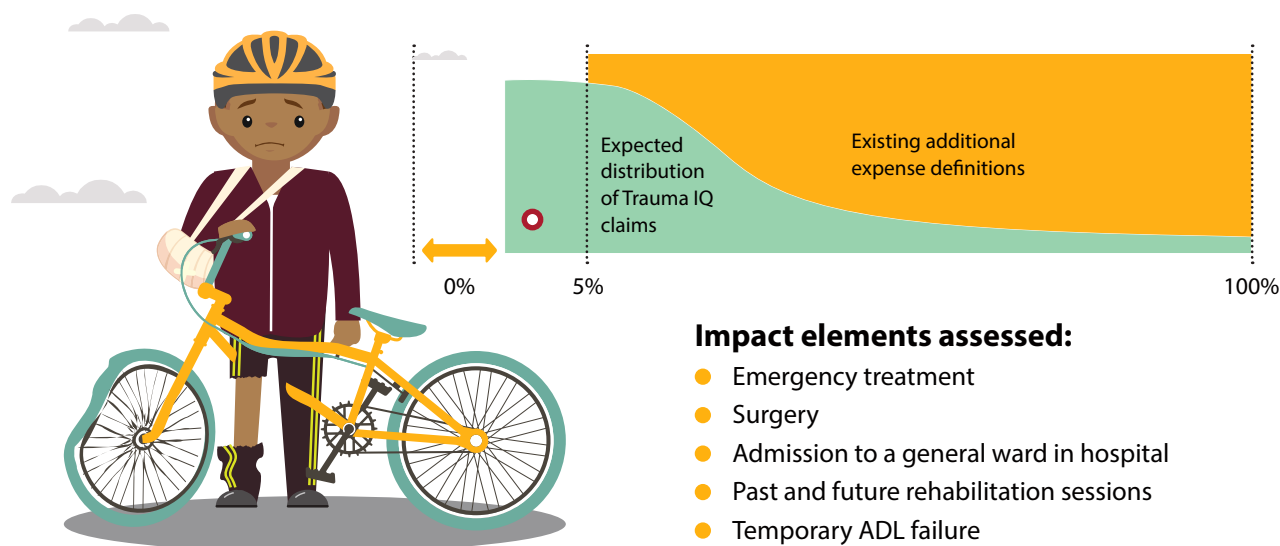
Trauma IQ pay-out percentage – member's child							
5%	7.5%	10%	12.5%	25%	50%	75%	100%

Trauma IQ case studies

These are just some of the Trauma IQ claims we've had since launching this market-first feature.

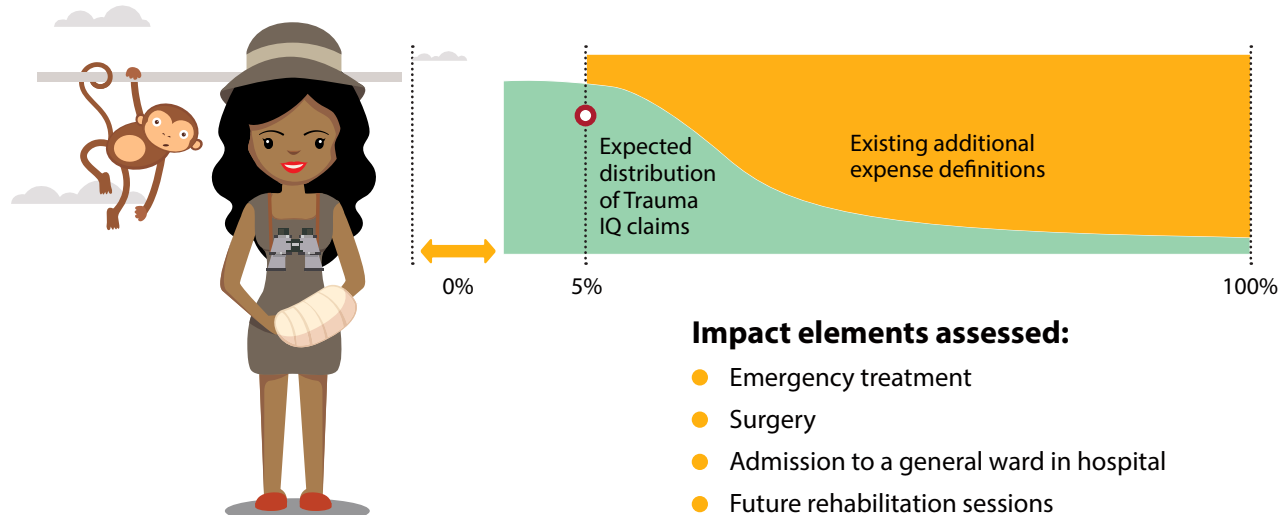
Male (32) fell while mountain biking, fractured his elbow

The client fell and broke his elbow while mountain biking, which resulted in him having surgery and spending a night in hospital. The client also needed physiotherapy and he couldn't drive for a while so the Trauma IQ payment helped fund his chauffeured trips to the office and back every day. This would never have been listed as a claimable event with us or any competitor in the industry, but thanks to Trauma IQ, we were able to help the client financially get back on his feet (and his bicycle) again.



Female (44) bitten on her hand by monkey at a sanctuary in Hartebeespoort

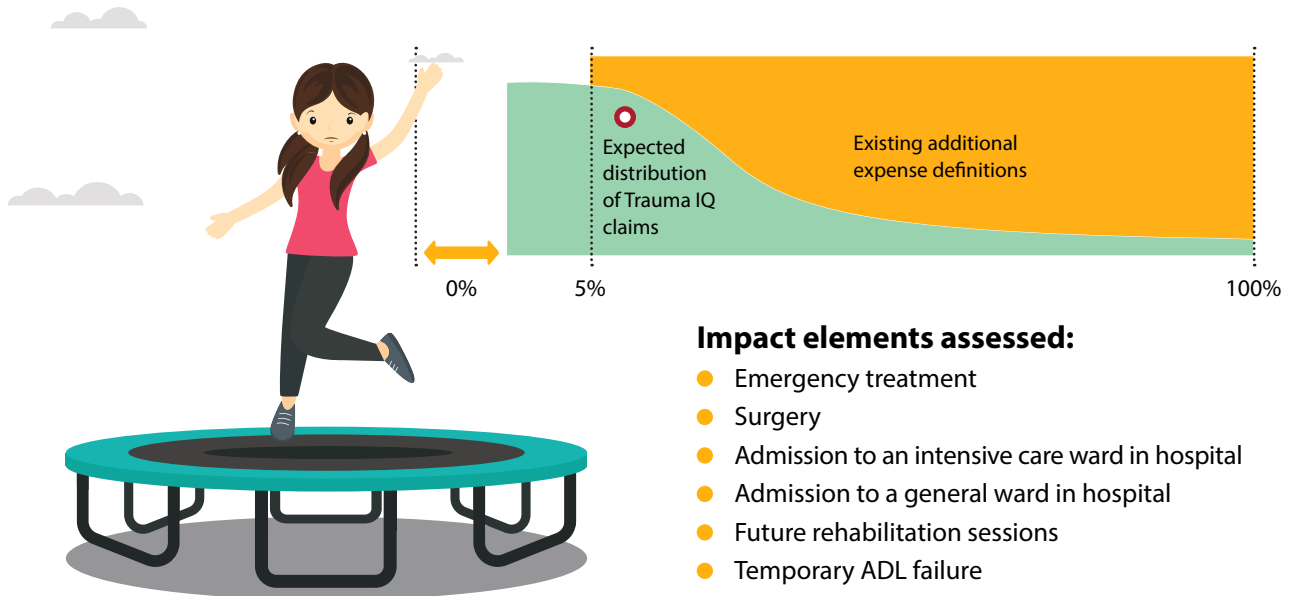
This client sustained a very serious monkey bite wound to her left hand. She needed numerous surgeries over the next few months to clean out the wound and make sure that she regained the full use of her hand. Even after the surgeries she needed extensive wound care from a specialist to make sure that it healed properly. Again, this event would not have qualified in any life insurance company's clinical definitions, and would not have resulted in a claim payment from any insurer but BrightRock.



Female (45) broke her ankle on a trampoline

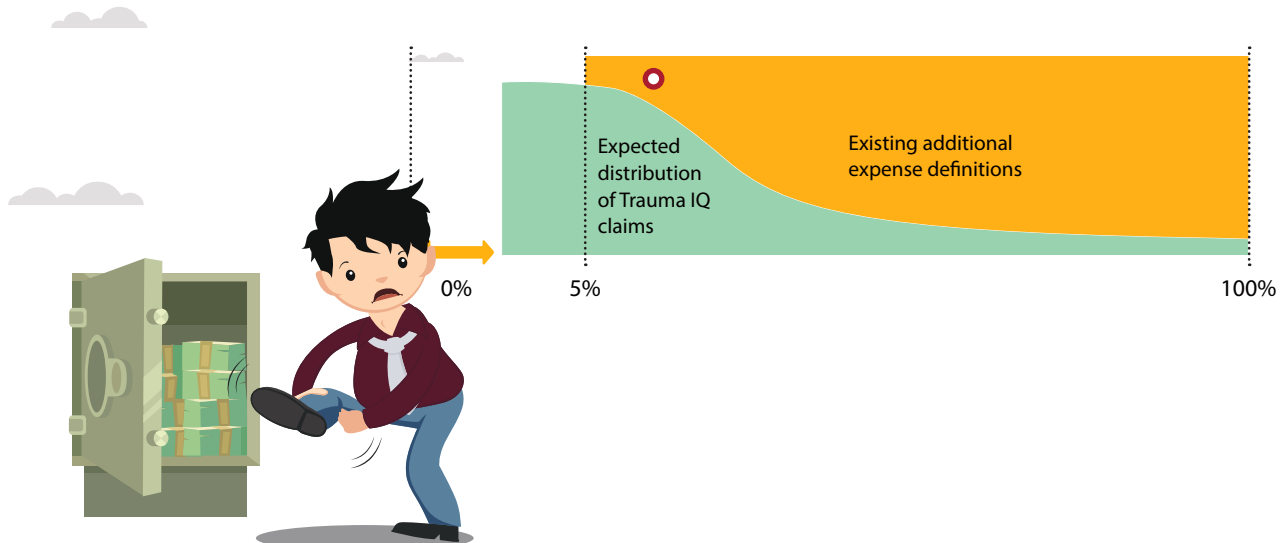
Our client, a mom-of-two, broke her ankle while jumping on a trampoline at her child's birthday party. The break was very bad and she needed extensive surgery, spent some time in hospital and needed a lot of physiotherapy afterwards to make sure that she healed properly. The combination of these factors resulted in a pay-out of 7.5%.

The financial adviser was so impressed with our Trauma IQ payment that he sent the claim details to a couple of competitors to find out if there would have been a claim payment on any of their benefits. Included in the list of competitors was an insurer who markets a feature that pays out for any critical illness event that any other insurer in the South African market covers. It was confirmed that none would have paid out for the broken ankle.



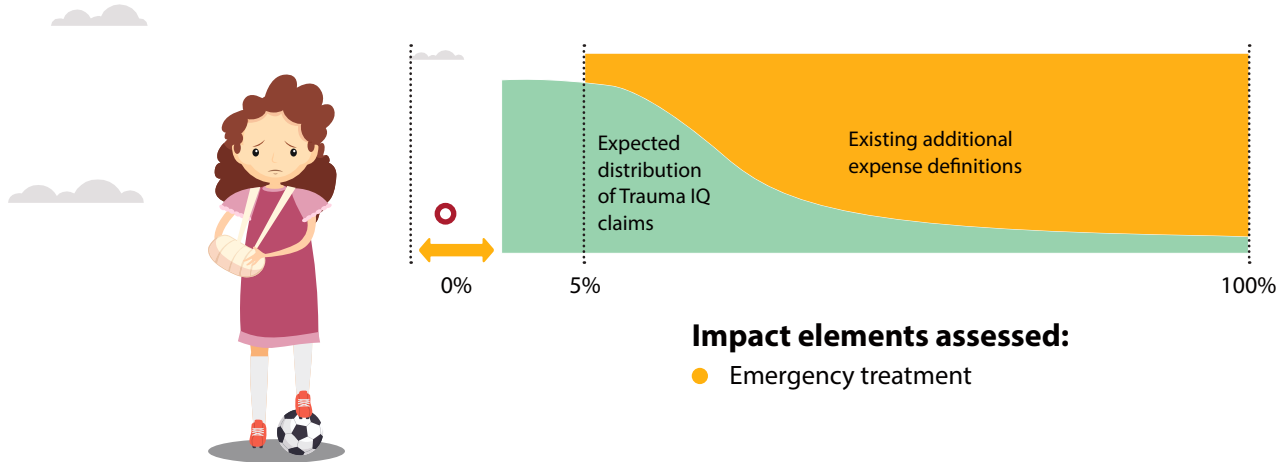
Male (42) had four toes amputated after a safe was dropped on his foot

This client was moving house when his friend dropped a safe on his foot. He needed many surgeries, but unfortunately lost four of his toes, which were amputated. He qualified for a Trauma IQ pay-out of 7.5% but because we have a clinical definition that pays out at a higher percentage, we paid him 10% of his cover amount on his additional expense needs cover.



Client's daughter (13) broke her arm playing soccer

There are cases where clients won't qualify for any pay-out after suffering a trauma event. We had a case where the client, a young girl, broke her arm while playing soccer. She went to hospital but didn't need surgery and had her arm in a cast for a few weeks. Although her injury met the definition of a trauma, and she was treated within four weeks of the event, just having a broken arm was not severe enough to trigger a payment under our Trauma IQ assessment criteria.



Impact elements assessed:

- Emergency treatment

For detailed information on BrightRock's Trauma IQ, speak to your BrightRock Distribution Specialist, or check the latest version of our technical product guide, Overview of needs-matched insurance – a guide for financial advisers.

Important points to note

- The **Trauma IQ automatically applies** to all of the options under our additional expense needs cover. It's built in, which means that clients don't need to pay any extra amount for it, and you as the financial adviser don't need to remember to add it in. As Trauma IQ was added as a market first in 2015, it's only available on rate set 22 and higher – so clients who got their policies before October 2015 will need to upgrade to the latest rates to get the Trauma IQ;
- The **cover amount for the Trauma Impact Quotient** will be the client's cover for additional expenses, up to a **maximum of R500 000**. For example, if a client has R1 000 000 additional expense needs cover, and they qualify for a Trauma IQ pay-out of 5%, they'll receive a claim payment of R25 000, being 5% of the maximum cover amount of R500 000 (their full cover amount of R1 000 000 won't be used to calculate the Trauma IQ payment);
- The **maximum of R500 000 applies per life**, not per policy, and will not increase with any future increases in cover;
- If a client qualifies for a pay-out under the Trauma IQ assessment and any other clinical definitions for additional expense needs, they will receive the **higher of the two pay-outs**. This refers to the highest rand amount we could pay them out, and not the pay-out percentage;
- To qualify for a claim under the Trauma IQ assessment, the client's claim must fall within the set time frame of four weeks – **fewer than four weeks** must have passed between the date the client suffered the trauma-related injury or event and the date when the client first received medical treatment for it;
- The **extender benefit does not apply** to claims paid on the Trauma IQ assessment;
- **Your client's children are also covered under Trauma IQ**. If a client's child qualifies for child additional expense needs cover, then the cover the child will have under the Trauma IQ assessment will be either 10% or 20% of their parents' cover for the Trauma IQ claims. To qualify for this cover, it's not necessary for the child to be listed on the policy or for the parent to have bought childcare cover. However, where a parent has bought childcare cover for that specific child, the Trauma IQ cover will be increased from 10% to 20%;
- **Children do not qualify for pay-outs below 5%** as calculated under the Trauma IQ assessment – we will only pay their claim if they qualify for a Trauma IQ pay-out of 5% or more;
- We define **medical treatment** as any recognised medical intervention, surgery, medication, investigation or rehabilitation, undertaken by a physician registered with the Health Professions Council of South Africa (HPCSA). This may include any further referral by a registered physician to supporting medical professionals registered with the HPCSA including nurses registered with the South African Nursing Council;
- **We don't include emergency treatment en route to the hospital** in our definition of medical treatment. We will exclude all medical treatment undertaken by emergency practitioners working in ambulances, including paramedics;
- BrightRock reserves the right to ask for **evidence of all medical treatment** the claimant received for purposes of the Trauma IQ assessment. We will ask for this evidence to verify the validity of claims submitted.

Please speak to your Distribution Specialist or contact us:

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