

2021 CLAIMS REPORT



MSIG

Insurance
that sees
the heart
in everything


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The MSIG 2021 Claims Report provides an overview of claims honoured in Hong Kong and Macau over the past 12 months. In this report, we highlight how we strive to meet our customers’ needs, and include personal testimonies about how this has been achieved. Throughout, we include examples of how we have supported customers during the ongoing pandemic, and present recent innovations to our services. We understand that each claim is unique to each customer, which is why we put their needs at the heart of all we do. Because behind every claim, we believe there is a personal story – and we take this belief to heart in our work.

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1 CLAIMS DATA FOR 2021

We remain committed to protecting those things our customers hold dear, and deliver extraordinary service when they need it most.

Unwavering customer commitment

Our top priority is to secure our customers' safety and peace of mind. We do so by providing cover against illness, accidents and natural disasters.

Total amount for claims honoured in 2021

HK\$381,360,512

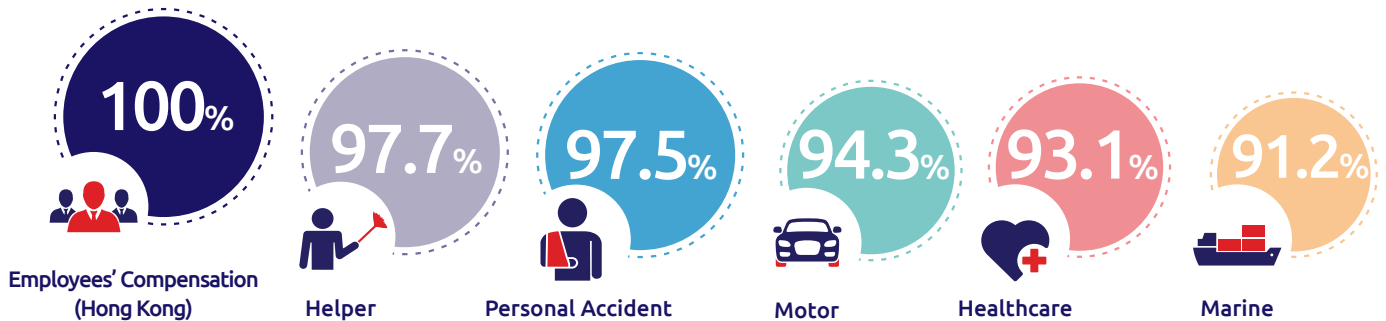
Support that people count upon

During times of difficulty, we stand resolute with our customers. Our claims settlement ratio is testimony to this and, as such, has received industry wide recognition.

Claims settlement ratio in 2021

92.4%* an increase of **1.4%** against 2020

Top settlement ratios by class in 2021

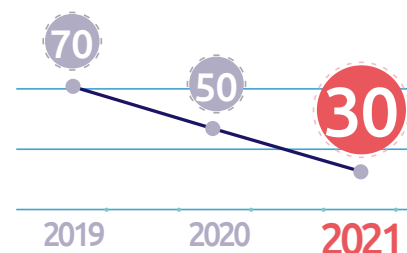


In 2021, we once again conducted our annual claims survey. We are delighted that 94.8% of respondents rated MSIG's overall claims experience as 'excellent' or 'good' and the number of complaints the company received has fallen dramatically in the last two years – from 70 in 2019 to just 30 in 2021.

This is consistent with our priority to maintain a reliable and consistent claims service to our customers during these difficult times. We are proud that we were able to support their essential insurance needs while adopting a work-from-home approach due to the ongoing pandemic.

94.8% of respondents rated MSIG's overall claims experience as 'excellent' or 'good'.

Number of complaints in 2019 - 2021



*Our claims settlement ratio excludes group medical business for now. See page 8 for details of our new MediGo system that will transform the claims experience for our group medical members in 2023!

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FEEDBACK THAT INSPIRES US TO DO MORE

For more than 160 years, we have provided insurance for the people of Hong Kong. Now, as then, customer satisfaction remains at the heart of our business, and ensures we continually improve our services and offerings. Listening and reacting to customer feedback is central to how we innovate and improve. Here are some of the things our customers told us in 2021.



Healthcare

Compliment

"In the past, I had a bad claims experience on the phone with a different insurer. I appreciated your claims specialist's thoughtful, professional advice regarding my inquiry. As a result, MSIG will continue to be my and my family's insurer of choice."

Situation

A customer accidentally hurt her eyes at home. She held two different policies – one with another insurer and one with MSIG. When she encountered problems dealing with her other insurer, she turned to MSIG for advice. MSIG provided a detailed explanation of her situation and guided her through the procedure of submitting claims to both insurers. As she was firstly claiming from another insurer and MSIG as subsequent payer, we were able to offer her a second claims allowance.



Highlight

MSIG has a dedicated claims hotline, together with experienced specialists who assess and approve claims, and are trained to answer enquiries directly. Most insurers only provide customer service hotlines for their clients, and customer service staff may not be able to answer specific claims enquiries.



Payment guarantee for hospitalisation

Compliment

"I express my gratitude for the excellent, efficient service provided by your claims specialist when handling my recent medical claim."

Situation

A customer underwent a detailed body check, and his doctor, after discovering colorectal polyps, suggested he had them removed by surgery. As the medical expenses were very high, the customer called our claims specialist for the policy coverage before being admitted to the hospital.



Highlight

In this case, MSIG was able to offer a payment guarantee to cover the hospitalisation expenses of the insured person. The payment guarantee exceeded his actual medical spending, so the customer didn't need to worry about the financial burden of covered medical fees when he was discharged from the hospital.

2

FEEDBACK THAT INSPIRES US TO DO MORE



Group medical

Compliment

"Thank you so much for your prompt response!"

Situation

Our insured companies' employees regularly call the MSIG claims hotline for advice regarding policy coverage as well as to check policy details such as maximum visits per year, number of visits remaining, and situations where referral letters are required from medical specialists.



Highlight

In 2021, MSIG introduced the new SME Group Medical Insurance plan and the Customer Service Portal 'MediGo', which provides online access for employees and employers, so they can easily manage their policies and benefits. Our unique insights into SME businesses are based on long experience serving health and commercial insurance customers. Our new plan is both flexible and at the cutting-edge of digital offerings.



Property

Compliment

"Thank you for the insight-driven and useful suggestions."

Situation

Last year, a burglary took place at a warehouse and valuable goods were stolen. An alarm had been installed, but it wasn't working at the time of the break-in. The client only noticed the burglary after staff arrived at the warehouse the following day. After an investigation, our claims specialist shared recommendations on the following risk improvement measures:

- Hire security guards to patrol the property at night
- Automatically upload CCTV footage to the cloud
- Connect the alarm system directly to the local police station
- Add more infrared sensors inside the warehouse
- Consult a security company about enhancing security measures

The client agreed to follow these recommendations.



Highlight

While we are proud to offer our customers industry leading claims services, we also offer specialist risk improvement advice and support. By doing so, we are helping to protect their businesses and improve their operations.

2

FEEDBACK THAT INSPIRES US TO DO MORE



Marine

Compliment

"I'd like to thank your claims specialist for their patience, and especially for their risk control advice and pointing out areas where we could make improvements."

Situation

After a client submitted a claim, our claims specialist found that the loading of goods onto the shipping container was not done well, as there were void spaces between the goods inside the container. As a result, the goods shifted and crushed onto each other, causing damage during transportation. Our claims specialist suggested that they insert cushions in between pallets and lash down the items to avoid any possible shifting. MSIG provided photo reference to the client to ensure all parties involved understood how to avoid the problem. This will also help prevent further loss to the client in the future.



Highlight

We strive to be our clients' trusted partner at all times, especially when it comes to resolving large-scale logistics problems like the example given above. We get to the heart of our customers' issues and find the best route forward to resolve their problems.

To further help our marine clients navigate risk, we provide the following:

Seminars

At MSIG, we understand client concerns that some policies and coverage might not be familiar with them. To counteract this, we held seminars for affected marine clients, and provided advice about risk control and loss prevention. We also answered queries regarding scope of coverage, claim procedures, third party claim handling and operations to ease the clients' concerns. This was greatly appreciated by our clients.



Reminder on 'Liability admission'

For freight forwarder's liability, we remind our clients not to admit any liability even if the customer's cargo was damaged under their custody. Clients should report the case to MSIG first. MSIG will conduct an investigation into operations to secure the client's position and if required, provide advice about areas for improvement and loss prevention.

Risk alert

MSIG is aware of the potential risk to marine clients. When appropriate, we may provide a warehouse risk control survey, which is especially useful for larger clients.

3 GOING THE EXTRA MILE DURING COVID-19

As COVID-19 continued to affect Hong Kong in 2021, we continued to find ways to protect our customers.



Enhanced medical protection for essential trips

Customers who take out iTravel Plus single or annual travel insurance policies are entitled to our free COVID-19 daily cash benefit. We have extended this to all existing iTravel Plus annual travel policies as a recognition of the unique challenges posed by the global pandemic.

If the insured person is hospitalised overseas due to COVID-19, they can receive up to HK\$500 per day for 10 days. We also cover trip cancellations, postponements, curtailments or disruptions as a result of the virus, and cover medical expenses for overseas hospitalisation.



Online shopping protection

In the wake of COVID-19, online shopping is now the go-to method of buying everything from daily essentials to luxury items as people seek to avoid contracting the virus. Our Home Insurance products now cover non-delivery or accidental damage of goods purchased online up to the value of HK\$10,000.



Risk prevention for marine customers

Forging long-term relationships with our marine customers is important to us as doing so enables us to give our customers peace of mind while running their businesses.

One client is an automobile manufacturer which ships expensive parts from the USA to Wuhan, China. At the beginning of 2021, we received 10 claims in two months relating to goods that had been damaged in transit. This is a high rate of damaged goods and we surmised it was due to more frequent loading and unloading of the cargo during the journey.

The client reviewed their packing and logistics with their forwarding company, and discovered that goods were loaded 17 times between leaving the warehouse in the USA and arriving in Wuhan. The shipment by sea was delayed due to the pandemic, so our client instead opted for air freight. However, the original packaging was not suitable for air freight.

We advised changing the packaging, which allowed for the goods to be transported by air. As a result, there were no further claims during the second half of 2021.

Update alert

COVID-19 caused constant delays to shipments in 2021, as well as a shortage of shipping containers. Clients were forced to use old or poorly maintained containers, which were susceptible to water or rain damage. MSIG reminded clients to use suitable containers to minimise the risk of water ingress, as this type of damage is not covered if inappropriate containers are used. This helped clients pay more attention to the issue.

4 OUR DIGITAL BREAKTHROUGHS

Throughout 2021, we strived to provide the utmost in convenience to our clients through digital innovation. Here are some of the projects we worked on last year.



Zero Touch for Helper and Medical plans

From Q3 2022, we will streamline the claims process for our Helper insurance plan by adding Zero Touch, our digital solution for claims assessment. Zero Touch automates manual processes traditionally performed by humans. As a result, this feature allows customers to receive claim payments directly to their bank accounts much faster than before. We look forward to adding Zero Touch to our Medical insurance plans in Q4 2022.



Previously

The old claims process involved filling in a claims form and preparing a receipt and supporting documents. The customer would then have to mail all documents to our office for our Claims Department to review the claim. We would contact the customer about the result of their claim and, if successful, settle the payment, which would take at around 7 working days.



Now

With Zero Touch, customers can submit the claims form, supporting documents and contact details online. Our system checks their claims history, policy validity and claim payment amount. If approved, the customer receives an SMS, and the payment will be settled via FPS in just two working days.



Launching MediGo for SME Group Medical Insurance

In October 2021, we officially launched MediGo, a Customer Service Portal for our SME Group Medical Insurance policy. The new portal offers online access for the convenience of employees and employers.

Employees can use MediGo to find panel doctors, submit and track claims, upload documents, access digital medical cards and monitor their benefits, all in one place. We have also enhanced employer services to include online enquiries and 24/7 access to policy details and member information.



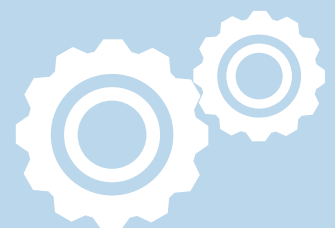
Previously

HR departments would collect their employees' medical claim forms and send them to MSIG either every 14 days or every month. The employees would have to wait a considerable time for compensation.



Now

Employees can submit their claim form via MediGo Member Portal and the process is much faster. They will be compensated within two days of a decision.



4 OUR DIGITAL BREAKTHROUGHS

Upgraded features of EASYi Claims and Policy Management Portal

We continue to upgrade the features of our EASYi Claims and Policy Management Portal to provide the greatest convenience for intermediaries, especially during the work-from-home period. Intermediaries no longer need to rely on traditional paper-based services, policy renewal and issuance can now be done digitally on one single platform.

Policy renewal function

Intermediaries can follow up the renewal policies, make the renewal decision and submit the renewal instruction to us via EASYi Claims and Policy Management Portal. All renewal processes can be done at the touch of a button.

Online travel policy issuance

Travel policies can be issued online via EASYi Claims and Policy Management Portal now. Simply enter the insured's information to generate a quotation. It just takes a few more steps to convert the quote to a policy online. More products are coming, please stay tuned!



Revamping the EASY Claims user interface

Customer satisfaction is at the heart of everything we do, so we are always trying to find new ways to serve them better.

After discussion with, and feedback from, stakeholders, we took the decision to redesign the layout of EASY Claims, our online claims portal. We aim to make the online claims journey smoother and more hassle-free, so we have made our online claims form more user-friendly and redesigned each step from a customer perspective.

Our improved EASY Claims platform will be ready in Q3 2022.

What's next?

In 2023, we will introduce claims process tracking, so our customers can track their claims in real-time. At present, if the claimant wishes to know the status of a claim, they need to phone our claims hotline. In early 2023, customers will be able to enter their claims number and other identity details into the MSIG App or our company website, where they can view more detailed information, including the submission date and whether the claim is under review or being processed.

5 INDUSTRY CONTRIBUTIONS

MSIG is a household name in Hong Kong, and in 2021 we continued to work tirelessly contributing to the health and wellbeing of the insurance industry in Asia Pacific and beyond.

Industry contributions

Our senior managers are well-represented on all industry bodies representing the general insurance industry in Hong Kong. We are active in the Fire Insurance Association, Accident Insurance Association, Marine Insurance Association and Medical Insurance Association. Our senior leadership also contribute their time to the Motor Insurers Bureau and the Insurance Fraud Prevention Claims Database.

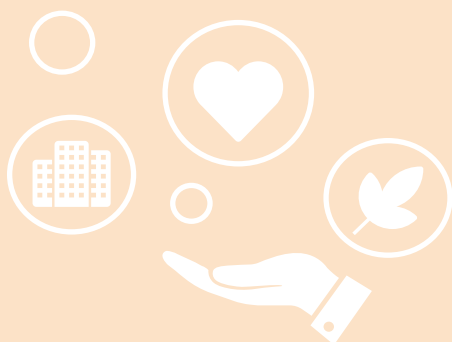
Fraud detection

Joining the Insurance Fraud Prevention Claims Database

We took part in an initiative by the Hong Kong Federation of Insurers (HKFI) which aims to decrease fraudulent claims. We provided the HKFI with data to enlarge its database and contribute to anti-fraud efforts within the industry.

Implementing anti-fraud technology

Within MSIG, we also launched a refreshed fraud response framework consisting of a fraud prevention policy and enhanced fraud prevention and remediation training. We are committed to providing the best possible service and preventing fraud in our organisation. Fraud increases the cost of insurance for everyone.



6 AWARDS AND CREDIT RATINGS

In 2021, we were honoured to be recognised by our customers and the industry with three awards. Here are the awards and recognition we received during the year.

Awards

Asia eCommerce Awards 2021

Best in eCommerce (Brands) – Bank/Finance Services - Silver



The Loyalty & Engagement Awards 2021

Best Membership Programme - Bronze



Privacy-Friendly Awards 2021

Gold Certificate

Credit ratings

Standard & Poor's

- › Financial strength rating: A+
- › Long-term issuer credit rating: A+
- › Short-term issuer credit rating: A-1

Moody's

- › Insurance financial strength rating: A1
- › Long-term issuer credit rating: A1

A.M. Best Company

- › Financial strength rating: A+
- › Issuer credit rating: aa

MSIG Insurance (Hong Kong) Limited

9/F 1111 King's Road, Taikoo Shing, Hong Kong
Tel +852 2894 0555 Fax +852 2890 5741

Macau Branch

Avenida Da Praia Grande No. 693,
Edif Tai Wah 13 Andar A & B, Macau
Tel +853 2892 3329 Fax +853 2892 3349



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