

Claims Report 2023

Supporting your clients financially,
emotionally and practically

LIVE
PROTECTION



For financial adviser use only



Welcome to our claims report

£135m

a record amount paid in personal protection claims

94%

of all personal protection claims paid

8,115

individuals and families supported after a life changing event

I'm pleased to share our annual claims report highlighting how we've been there to support our members during a vulnerable time last year.

2023 was another record-year for LV=, with £135 million paid out in personal protection claims. That's over **8,000 people who have benefited from having protection** in place, and we're proud to have been able to support these individuals and families **through one of the most difficult moments in their lives**. When people are going through such a life-changing event, the relief of knowing that their finances are taken care of can make all the difference.

It's not enough to just talk about the claims we pay and focus on the good news stories though. You want to be confident that your recommendations will hold up at that crucial moment. As an industry **we need greater transparency around the claims we couldn't pay and why**. We were unable to pay 6% of claims last year – a good proportion of these outcomes could have been avoided. Providers and advisers must work together to educate customers on the importance of full and accurate disclosures in their applications and help breakdown some of the misconceptions out there about insurance. We share the claims we couldn't pay and why on page 10.

Claims are the ultimate proof point of protection. We hope that by sharing our claims performance, and real-life examples, that we're helping you to drive home the value of protection and get more lives protected.

Anna Rogers

Head of Claims and Underwriting, LV=



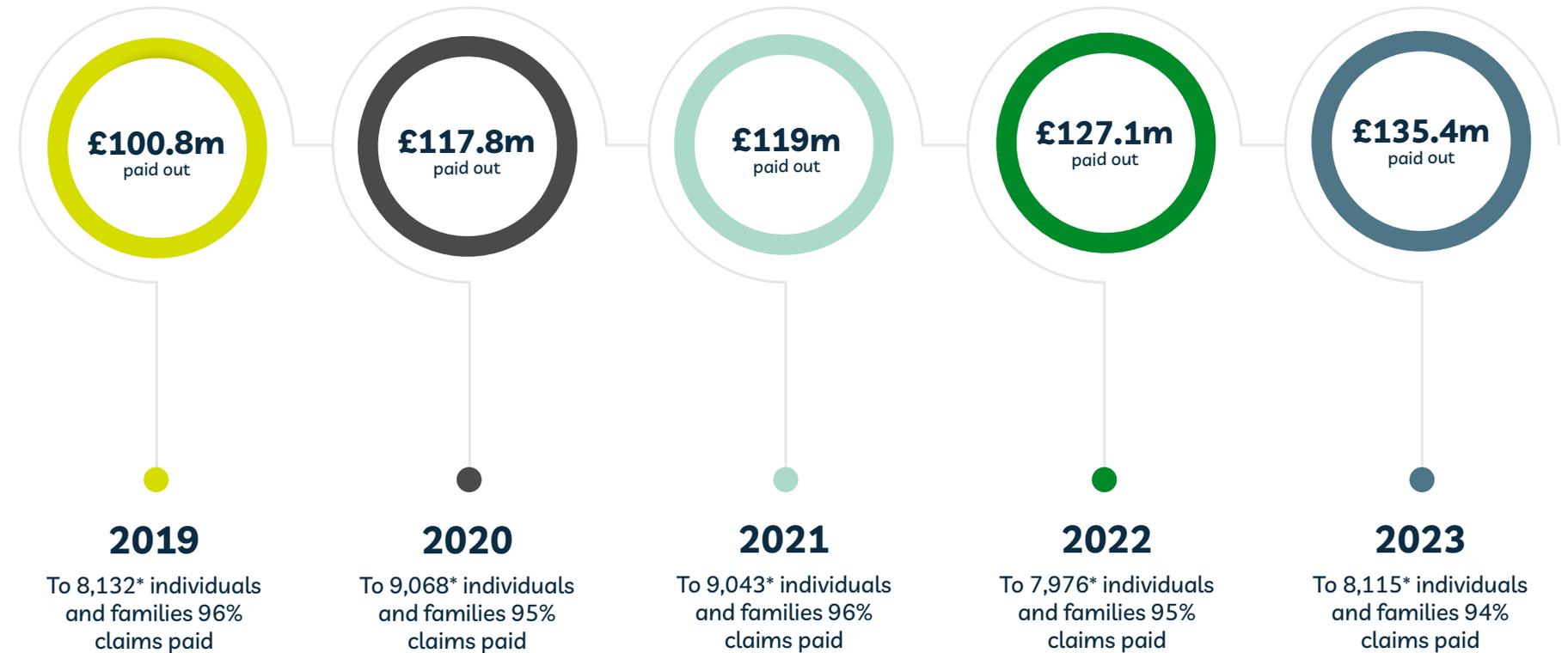
“When people are going through such a life-changing event, the relief that comes with knowing that their finances are taken care of can make all the difference.”

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Our claims record

Below is an overview of our claims performance from the last 5 years. We're proud that LV= protection has supported almost 40,000 individuals and families through challenging times.



*Includes in payment claims for Income Protection and Personal Sick Pay. Total amount of personal claims made in the last 5 years was 38,017.

In the last 5 years...

We've paid over

£600m

out in **personal protection** claims

That's 38,017

individuals and families supported with LV= protection (based on new claims made each year only)

65%

of working people have experienced at least one **life event** in the last 3 years where protection might have supported.

Almost 1 in 5 workers

experienced a **delay** in getting a GP appointment.

11%

have experienced a **mental health issue** and continued to work. **6%** took time out of work for mental health reasons.

[Read the full report](#)

¹ LV= Reaching Resilience research – 2024. Based on a survey of 4,000 nationally representative UK adults conducted for LV= by Opinium between 23 November – 3 December 2023.

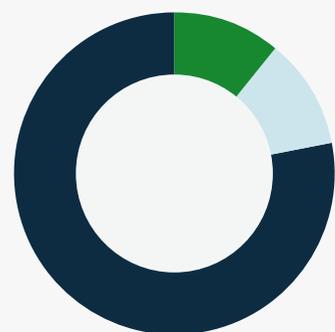
Everyday support

We're here for your clients, starting from day one and going beyond a claim payment. Below is an overview of how our members were able to benefit from support offered from an LV= protection policy last year, whether they claimed or not on their cover.

LV= Doctor Services*

Provides access to six expert medical services offering support for any health issue. This is offered to your client, their spouse/partner, and children under 16 (selected services).

Breakdown of services accessed



- 24/7 Remote GP **78%**
- Mental health support **11%**
- Physiotherapy **11%**

Usage trends in 2023:

- Use of LV= **Doctor Services increased by 56%** in 2023 (vs. 2022).
- The biggest take up was for the **24/7 remote GP service**, usage **rose by 56%** compared to 2022.
- 26-45 age** group accounted for **65%** of all users.
- 15% of 24/7 remote GP** appointments were made **for children**.

[More on LV= Doctor Services](#)

*LV= Doctor Services and the Legal Advice Line are provided by third party companies. These services are not regulated by the Financial Conduct Authority or the Prudential Regulation Authority. These are non-contractual benefits and can be changed or removed at any time.

Legal Advice Line*

(Available for protection members only)

1,645 calls made

to our Legal Advice Line operated by solicitors, offering support for a range of legal queries.

[More on our Legal Advice Line](#)

Support during financial hardship

We can support our members going through financial hardship, through our Member Support Fund and Payment Break facility.

Member Support Fund – members can apply for financial support when times are exceptionally hard.

Over £14k paid through the Member Support Fund to **20 members**.

Payment Breaks – enables financially vulnerable members to retain their protection cover if unable to afford premiums.

Almost £7k paid in premiums allowing **94 members** to keep cover in place.

Debbie was diagnosed with breast cancer last year

Debbie contacted us last summer, a couple of months after receiving a diagnosis of breast cancer. She had been left unable to work because of her symptoms and wanted to claim on her cover. She'd taken out her Income Protection policy 6 years prior.

Her dedicated claims assessor took her through the claims process. Debbie sent copies of her payslips and medical reports to support her claim, and we were able to begin payment after her waiting period finished in October. By having Income Protection in place, she was financially covered with a monthly sum of £1,500 to cover her outgoings whilst she was off work. This allowed her to focus on her recovery and spend time with her loved ones.

She's due to have treatment this year, and we'll be checking in with her to see how she's getting on.



Name and photo are for illustrative purposes only.

Income Protection claims

Discover LV= Income Protection

[Home](#)

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Here's how we supported our members who couldn't work due to illness or injury in 2023.

92% of claims paid*

£17.2m* paid in total

Over 1,100* individuals and families supported

Claims admitted



Made before 2023 and still in payment **60%**
New claims in 2023 **40%**



5 years, 10 months

The average length of an Income Protection claim (based on full cover)

23 years old

Youngest age to claim

45 years old

Average age to claim

8 years, 6 months

Average age of policy at claim

38 years

Our longest claim came to an end in 2023

Top reasons for claim



Musculoskeletal **33%**
Cancer **23%**
Mental health **15%**
Heart related **4%**
Covid-19 **4%**
Other **21%**



*Includes claims made before 1 January 2023 that were still in payment during 2023.

Carl was able to count on his Income Protection when he suffered a football injury

Carl injured his knee playing football in May 2023. He called us in June to claim on his Income Protection policy which includes fracture cover as standard. We received medical evidence that showed he was unable to work, and so we were able to pay his main claim.

We needed more evidence to pay his additional fracture cover claim, and once that was received, we were also able to pay him a lump sum of £2,200. Carl had to have surgery but his recovery put him on track for a return to work in early 2024.



Name and photo are for illustrative purposes only.

Income Protection: Feature claims

Our comprehensive Income Protection supports your clients in more ways than one, with built-in features to offer more benefits from having cover in place. Here's other ways an LV= Income Protection policy supported beyond a main claim.

Nearly £62k

paid in Fracture Cover claims, to **54 individuals** who suffered a listed fracture.

Almost £89k

paid out in Parent and Child cover claims to parents, after their child suffered a serious illness.

With claims including cancer and meningitis.

The average age of the child claimed for was

7 years old

£105k

paid to **12 families** who sadly lost a loved one, through the Death Benefit feature.

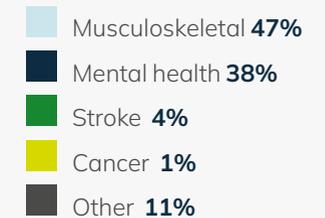
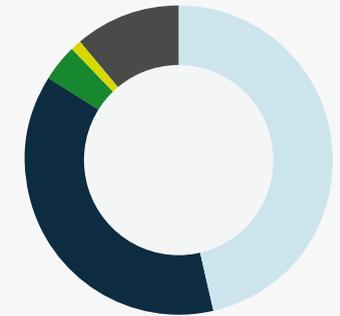
Rehab support services

When your clients are ill or injured, this can impact their ability to work, day-to-day life and overall wellbeing. Our Rehab Support Services can provide valuable support to get them back to themselves again. It's available from as early as the waiting period, providing earlier intervention to help them manage or overcome their symptoms and support a successful return to work.

We supported **136 individuals** with their **recovery** in 2023.

[More on LV= Income Protection features](#)

How it was accessed



Hugh suffered a stroke leaving him unable to work

Hugh works as a plasterer. He called us in March 2023 as he'd recently had a stroke and was going to be off work for a prolonged period.

His claims assessor talked to him about his condition, asking for some details of his occupation and earnings. Hugh sent us copies of his tax returns and letters from his consultant to support his claim. We were able to pay his claim as soon as his waiting period was over.

By autumn he was able to return to doing small jobs and we continued to support him by paying his claim on a reduced basis until he returns to his full-time hours.



Name and photo are for illustrative purposes only.

Personal Sick Pay claims

[More on LV= Personal Sick Pay](#)

[Home](#)

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Designed for clients in riskier occupations, our Personal Sick Pay protects your client's income if they can't work due to illness or injury.

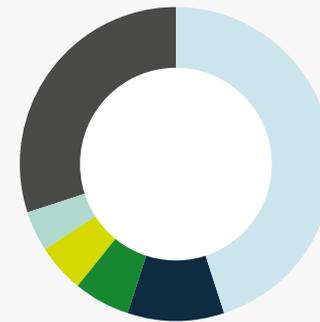
88% of claims paid*

£3.9m paid in total*

Over 1,100
individuals and families
supported*



Top reasons for claim



Musculoskeletal	45%
Fractures	10%
Coughs, colds, flu and sore throat	6%
Mental health	5%
Hernia	4%
Other	30%

Top occupations to claim

- Warehouse worker
- Carpenter/Joiner
- Builder
- HGV driver
- Nurse

10 months

The average length of a Personal Sick Pay claim (based on full cover)

17 years old

Youngest age to claim

41 years old

Average age to claim

4 years, 7 months

Average age of policy at claim

* Includes Personal Sick Pay claims made before 1 January 2023 that were still in payment during 2023.

Kai was diagnosed with Multiple Sclerosis at just 25 years old

Kai had taken out an LV= Life and Critical Illness policy in 2020. At the time of application, he had told us of some ongoing health issues, and we had applied a rating to his policy to reflect this.

He contacted us in January 2023 to confirm he'd been diagnosed with Multiple Sclerosis (MS) at the end of 2022. He told us that he had suffered from covid-19 earlier that year, which left him with balance and vision problems. His optician referred him to a consultant. This led to a neurology appointment and further investigations revealed an MS diagnosis.

We sought reports from his consultant and GP and were able to pay his benefit of £50,000 in March 2023.



Name and photo are for illustrative purposes only.

Critical Illness claims

[Learn about LV= Life and Critical Illness cover](#)

[Home](#)

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Being diagnosed with a serious illness is incredibly difficult for all involved. Having critical illness cover can mean there is one less worry for your client and their loved ones. Here's how we supported our claimants last year.

85% of claims paid

More than £27m
paid in total

Over 370
individuals and families supported

£618k
Highest claim payment

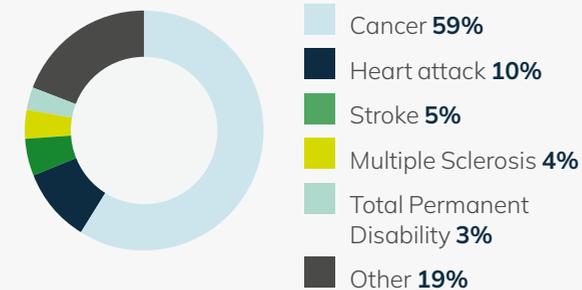
Child Critical Illness claims

It's hard to think about a child becoming seriously ill, but sadly it does happen to families each year.

We paid 25 claims for children totalling over £605k

The youngest child was just **1 day old**.
The majority of claims were for cancer.

Top reasons for claim



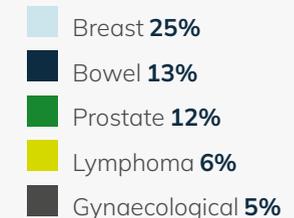
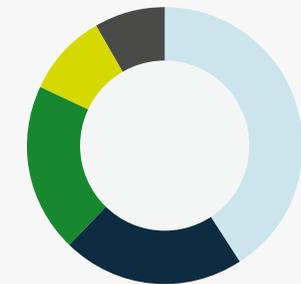
25 years old
Youngest age to claim

52 years old
Average age to claim

8 years, 6 months
Average age of policy at claim

3 out of 5 Critical Illness claims were for cancer

Cancer represents the largest reason for claim year on year. Below is a breakdown of the most common forms of cancer claimed for in 2023:



Shelley's Life Insurance policy meant her partner was financially supported when she passed away

Robert called us in October 2023. His partner, Shelley, had very sadly passed away following an unexpected and short illness due to sepsis. His claims assessor asked him to send a death certificate and we contacted Shelley's GP for some information. We received all the information and were able to pay her claim benefit to Robert in December 2023.



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Life claims

[More on LV= Life Protection](#)

[Home](#)

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Life Insurance provides valuable financial support to your client's loved ones when they pass away.

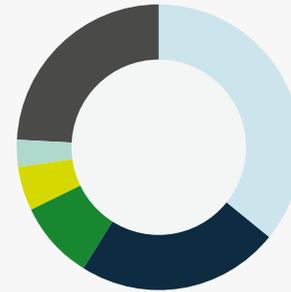
97% of claims paid*

Over £87m
paid in total*

Over 5,500
individuals and families
supported after the loss
of a loved one*

£2m
Highest claim payment*

Top reasons for claim



- Cancer **36%**
- Heart related **23%**
- Respiratory **9%**
- Stroke or brain haemorrhage **5%**
- Suicide **3%**
- Other **24%**

8 years, 10 months

Average age of policy at claim

28 years old

Youngest age to claim

65 years old

Average age to claim
(excluding 50+ policies)



*These figures include claims paid for Life Insurance, Family Income Benefit, Terminal illness and our Whole of Life products.

Claims we couldn't pay

Last year we paid 94% of all personal protection claims, but **we believe it's just as important to be transparent about the 6% of claims we couldn't pay and why.**

Your client takes out personal protection so they have peace of mind that it's there if they need it, and **it's important that they can count on their cover** during those crucial moments. Providers and advisers can work together to ensure their client isn't in this position.

Last year we couldn't pay:

2.9% of all Life claims

15.5% of Critical Illness claims

18.6% of new Income Protection claims

14.9% of new Personal Sick Pay claims

3 out of 5 Critical Illness claims that we couldn't pay was down to not meeting the definition, which is why it's important that your client understands how to check their cover.

73% of claims that couldn't be paid last year were down to **misrepresentation or fraud.**

Most common areas of misrepresentation:

- Smoking
- Alcohol
- BMI
- Health history
- Current health problems not being disclosed

What if it's not a straightforward outcome?

We take a pragmatic and human-led approach to our decision to pay claims. Where an outcome is not black and white, such as unintentional misrepresentation, we may still decide to pay a proportion of the claim. For example, if we had the right information at outset and would still have been able to offer the customer cover.

However, for cases where clear misrepresentation or fraud has occurred where we wouldn't have been able to offer cover in the first place, we will be unable to pay the claim.

We have processes to thoroughly review complex claims where there's not a clear outcome. On occasion we have paid a claim even if it falls outside the T&Cs of the policy, just because it was the right thing to do for that customer.

The Adviser checklist:

Before application:

- ✓ Emphasise the importance of an accurate and honest application.
- ✓ Use our pre-underwriting tool to check any disclosures to set client expectations.

Application stage:

- ✓ If possible, fill in the application with your client present.
- ✓ Have your client double check their information.

Once their policy is live:

- ✓ Remind your client they're sent a copy of their application form to flag any inaccuracies.
- ✓ Make sure your client is confident with how to check their policy documents for claim criteria – it's a great way to remind them of all that's featured in their policy too.

For more about LV= claims and underwriting

Access our [Claims hub](#) for more resources



Read [Fuel for Life](#), our protection e-zine including our latest claims statistics and insights



Sign up for a [CPD webinar](#) or contact your [LV= account manager](#) for 1-2-1 training



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