

Our approach to COVID-19

For Financial Advisers - most frequently asked questions

Our New Business Process

Is the application process the same?

Yes, our application process is the same although you may find we have amended our underwriting approach by:

- Adapting our questions to take account the current COVID-19 pandemic.
- Being able to receive applications from your clients who are currently furloughed, or using the self-employed scheme

Who should I speak to about my client's applications?

Nothing has changed, you should continue to make contact with the people you would normally speak to.

Why are you offering income protection to furloughed clients or are using the self-employed scheme?

We feel that the right thing is to offer advisers and their clients the flexibility to make a choice. Income protection is vital cover and may be needed at any time because:

- There is always a risk of becoming ill after which cover may be difficult or impossible to arrange
- At some point the furlough scheme will end
- Your client could be recalled to work at short notice

We can consider new applications even if your clients are furloughed (or in the equivalent self-employed scheme). If this applies to your client, it is important to remember that whilst this financial support continues, they may not be eligible to claim the full benefit (or in many cases receive a benefit at all) as any continuing income, which would include the furlough amount, would be deducted from their claim benefit.

With this in mind be sure when making such applications to specify when you wish cover to start or if this is to be decided in due course.

What happens if my client develops COVID-19 whilst their application is being processed?

We must be informed if they develop symptoms before we have offered terms or before any terms offered are accepted. Unfortunately, we would have to postpone the application until they had recovered and been back at work for at least 2 months.

Can my client apply if they are self-isolating?

Yes, we'll accept applications during self-isolation if your client is working or on furlough (or similar scheme), has no COVID-19 symptoms, and hasn't been in close recent contact with someone with COVID-19 symptoms.

Otherwise, we will need to temporarily postpone their application.

Will you accept new applications from people who are planning to travel or have travelled?

Yes, as long as it's not against Foreign Office advice.

Are there any specific COVID-19 related changes?

Do you have a COVID-19 exclusion?

All business that started on 13th March 2020 or later will have a COVID-19 exclusion. This means that any claim caused by COVID-19 would be excluded.

Do you offer quotes on all deferred periods?

Currently we are not offering our full deferred period range across our products. This is under current review so your quotations will always reflect our current position.

What are you doing to help my clients?

New 3 month payment holiday option

We have introduced a new 3 month payment holiday. This new option can be used after 3 months of payments have been made. This 3 month payment holiday option provides a little more financial flexibility by allowing your client a break from the monthly payments and putting the income protection cover on hold. This new option allows us to support and help them keep their income protection cover.

Up until 15 July, a 3 month payment holiday can be requested. During any payment holiday your client won't be able to make a claim.

Once the 3 month payment holiday has finished, we'll get in touch with them so they know that we're going to start collecting the monthly payments again.

Both monthly payments and the income protection cover will re-start without having to answer any health questions or filling in any forms and more importantly we won't ask you for any missed premiums due to the payment holiday.

How can my client arrange the new payment holiday?

To arrange the new option, your client can contact our Member Services team at MemberServices@holloway.co.uk. We'll need their full details including plan number and will confirm when the payment holiday starts and finishes, we'll also remind your client that they won't be covered during this time.

Can cover be restarted sooner than agreed if circumstances change?

Yes, payment holidays can be stopped and cover re-started at any time. We just need to be contacted at MemberServices@holloway.co.uk and we'll take care of the rest.

What if my client is already behind with their payments because of financial difficulties?

We can only apply a payment holiday if the plan is paid up to date. We will aim to start the payment holiday from the 1st of the following month; however, this may be delayed if their payment is due to be collected shortly after the request.

What if my client has had their cover for less than 3 months?

Unfortunately, the income protection plan must be in place for more than 3 months to use this new option.

What if my client tries to claim while they're taking a payment holiday?

When a payment holiday is being taken the income protection cover isn't in place, so this means no claim is possible.

If they restart their cover and then claim for an illness or injury that happened whilst they were using their payment holiday, the claim wouldn't be accepted as their cover wasn't in place at the time.

What happens if my client doesn't re-start making payments after the payment holiday?

If they tell us they don't want to restart the cover then we'll cancel their plan. Any commission which needs to be clawed back will be shown on the next commission run.

If we re-start the cover but can't collect the monthly payments by Direct Debit then we'll follow our normal process. If your client misses 3 months of payments then the next commission run will show the commission which needs to be clawed back. The plan will also be cancelled.

Is there commission clawback if my client uses this new option?

No, we want to support you as well as your client through this difficult time, so there will be no commission clawback for Advisers if this option is used. But the clawback period will be extended by the same amount of time that the cover is stopped for. So, for example if they paused their cover for 3 months the clawback period would be extended by 3 months.

Is the clawback calculation any different?

The clawback period will be extended by the number of months that your client has taken a payment holiday. For example, normally if they have paid 12 months payments and their policy lapses, the clawback would be pro rata based on 12 out of 36 months of payments being paid. If your client paid 12 months payments then took a 3 month holiday and the plan lapsed, the clawback would be pro rata as if 15 out of 39 payments had been paid.

Our existing payment holiday feature (Career Break Option)

This allows your clients to temporarily stop their cover whilst they pursue other activities such as raising a family, study, travel or have been made redundant. The existing payment holiday can be taken by our Members at any time after they've had their plan for over 3 years.

After 3 years, they can take a payment holiday for up to 6 months during any 12 months. Payment holidays can be in place for up to a total of 24 months during the lifetime of the plan. Once the payment holiday finishes no health questions or other forms are needed.

For the Career Break Option, our conditions currently say a Member can't claim again until they've been back at work for 3 months. To make it fair to all of our Members, if they are currently taking a payment holiday then we are waiving this rule. This means that they can make a claim once their cover has been restarted. Their cover will be reinstated once their payments restart.

How will you support my clients?

We are here to support your clients at all times, beyond just paying their claim.

As well as the processing of the claim, support can be offered through tailoring the client's experience based on their specific needs, and this could include:

- Working exclusively with our specialist team of experienced claims specialists
- A clinical review by our partners Health Claims Bureau may help to speed up our claims decision. This could include a review with a Nurse by phone or video conference to offer early support, treatment and rehabilitation, so avoiding waiting for medical reports or for your client to see their Doctor
- Our claims specialists may recommend that your client works with our partners who are specialists in managing sickness and rehabilitation.

We also offer an assistance programme operated by Care first if your client or their family need this support, they don't have to make a claim to use this service. Care first have British Association for Counselling and Psychotherapy (BACP) accredited counsellors and Citizen Advice trained information specialists, and also offer an interpreter service in 150 languages. They can be contacted on [0800 484 0818](tel:08004840818), 24 hours a day, 365 days of the year.

