



In response to growing concerns over public confidence in the Travel Health Insurance (THI) market and the manner in which THI is manufactured and distributed, the Canadian Council of Insurance Regulators (CCIR) formed a Working Group. The mandate of the Working Group is to improve consumer's confidence in the THI market and to promote harmonization in regulatory approaches to travel insurance in Canada. In a recent ACTAVision newsletter, ACTA provided an update on our activities on the Insurance front and included a link to the full report or Issues Paper prepared by the Working Group. In the report, the Working Group posed a number of questions and it will be these questions, or at least relevant questions to the retail industry, that ACTA will respond to in a formal submission due at the end of the month.

The list of questions at issue are:

### ***Design of a THI Product***

1. What terms or expressions should be defined and standardized in order to allow a better understanding of THI products by consumers, and enable them to more readily compare products and make informed decisions?
2. What other initiatives related to product design could be put in place by the industry to help consumers better understand the extent of the coverage offered and the terms and exclusions so they can make informed decisions?
3. What type of controls should be put in place at the insurer or other levels in order to ensure that consumers of THI products are treated fairly?

### ***Exclusion, Restriction and Limitation Clauses***

4. How could the industry improve consumers' awareness about and understanding of exclusion, restriction and limitation clauses, especially pre-existing medical conditions?
5. What changes could be made to the application process to ensure that consumers have sufficient knowledge to have a thorough understanding of exclusions for pre-existing medical conditions as well as to complete an application for THI, thus enhancing consumer confidence in the underwriting process?

### ***Suitability***

6. How can the industry ensure that consumers are offered THI products that are suitable for their needs?

### ***Medical Questionnaires***

7. How can the use of medical questionnaires by insurers be improved in the context of the underwriting of travel insurance products, in order to ensure fair treatment of customers?

### ***Disclosure Documents***

8. How could insurers ensure that the information shown in the disclosure documents is limited to that which is essential, and that the format of these documents promotes a quick understanding of the fundamental information?
9. How could the industry improve disclosure documents so that they can be more easily understood by consumers?

### ***Timely disclosure***

10. How can the industry ensure that consumers are informed of the key elements of the THI coverage in a timely manner, before they make a purchase decision?

### ***Credit Cards***

11. What should the industry do to ensure that all consumers get an appropriate and timely disclosure relating to THI embedded in credit cards?

### ***Insurers' Responsibility***

12. How do insurers ensure that they have effective controls and oversight over their distribution channels and that proper distribution channels are used for the distribution of their travel insurance products, as well as for other coverages that do not qualify as travel insurance and which are embedded in these products?

### ***Disclosure of Identity***

13. What can be done to make sure that promotional material and policy or certificate documentation provided indirectly by the insurer through the use of third parties are not misleading or deceptive as to the identity and responsibilities of the insurer?
14. Are there functions that should not be outsourced to third-party administrators in order to make the roles and responsibilities clear?
15. How does delegating product development to third parties affect the insurer's role as manufacturer?

### ***Lack of Recourse to Insure***

16. What should be done to ensure that consumers are made aware of their right to contact the insurer regarding questions about the terms and conditions of the policy and claims disputes?
17. What are some of the best practices insurers could follow to ensure that there is appropriate oversight and controls over outsourced claims functions?

### ***Claims Management***

18. What initiatives could be put in place by insurers to ensure that best practices are implemented with regards to claims handling?

### ***Complaints***

19. What initiatives could be put in place by insurers to ensure better claims dispute processes?

### ***Data Collection***

20. What key indicators could be standardized and implemented to ensure proper monitoring of insurers' THI activities?