



**Financial Services
Commission
of Ontario**

**Commission
services financiers
de l'Ontario**

Guidelines for Ontario Auto Insurance Claimant Satisfaction Research for 2001

Attachment to FSCO Bulletin No. A-4/01

March 2001

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I. Introduction

The following claimant satisfaction research guidelines were developed by a consultant commissioned by the Financial Services Commission of Ontario (FSCO).

The guidelines are based upon the results of a large sample, province-wide pre-test of all aspects of the claimant satisfaction research process including sampling, questionnaire design and interviewing. They have been created to ensure that every participating firm follows identical procedures when collecting data on claimant satisfaction, and to ensure that the data which is collected is of the highest quality. In doing so, the results for each firm can be interpreted and compared with confidence.

The survey is to be conducted by each insurance company on an annual basis, with results due to FSCO each year. The sample is to be based upon claims which have been closed in the previous calendar year.

The following document describes the guidelines in greater detail.

II. Data Collection

A. Data Collection Method

The two data collection methods which are feasible for a tracking study such as this are:

- telephone interviewing, or
- a mail survey.

In order for the data collected by each company to be comparable, all companies must collect their data using the same method. Accurate comparisons cannot be made between the results of a mail survey and the results of a study conducted by telephone. Because of the numerous advantages in the telephone methodology, particularly if this methodology is used with a computer-assisted telephone interviewing (CATI) system, **telephone interviewing shall be the standard method of data collection.**

Specifically, a telephone methodology has been chosen over a mail survey because:

- it will deliver a higher rate of response, meaning more accurate results;
- a guaranteed sample size – sample sizes vary with mail surveys, and are subject to shifts based upon the time of year; and
- mail survey respondents tend to be motivated to respond with either very high or very low levels of satisfaction.

In addition, a telephone methodology will be less expensive for companies to conduct than a properly carried out mail survey.

B. Quality Control

In order for the data for each company to be comparable, quality control standards must be established and adhered to. In order to ensure that these procedures are followed it is recommended that only research firms that are current members of the Canadian Association of Marketing Research Organizations (CAMRO) be employed for this project.

Deloitte and Touche conducts regular audits of CAMRO members' research procedures to ensure that CAMRO standards are being met. Additional information about CAMRO can be found in Appendix B of this document.

In addition, the satisfaction surveys should be registered with the Canadian Survey Research Council

(CSRC), a body recently established by the survey research industry to provide survey respondents with a way of verifying the validity of a survey. If respondents want to verify that the survey they have conducted, are considering conducting, originates from an actual research company, they can obtain an immediate answer through the CSRC's toll-free number.

C. Response Rates

The response rate for this pre-test was 31 per cent. This response rate was achieved without placing additional calls to respondents who refused to conduct an interview – i.e. a pre-determined response rate was not enforced during the fielding process. Because the response rate can influence the accuracy of the results, it is recommended that surveys conducted meet a minimum requirement. At the same time, it is widely recognized in the research industry that high response rates have become difficult and expensive to achieve and that enforcing high response rates can sometimes annoy respondents who simply do not want to participate. **For these reasons, it is recommended that the minimum acceptable response rate be in the range of 25 per cent.**

III. Sampling

A. Sample Size

An important factor in choosing the number of respondents to interview is the number of closed claims each company has in their 2000 closed claims register.

For companies which have 18,000 or more closed claims in their 2000 closed claims register, the minimum sample size for each company will be 800 closed claims, which will produce overall results which are accurate to within ± 3.5 per cent, 19 times out of 20. Companies could seek greater assurance by opting for a larger sample size to reduce the margin for error.

For companies which have fewer than 18,000 closed claims in their 2000 closed claims register, a sample size must be selected which will produce a maximum margin of error of ± 3.5 per cent, 19 times out of 20.

NOTE: The sample size must be selected by the market research organization.

CLOSED CLAIMS REGISTER

The 2000 closed claims register is a list of the following four types of private passenger automobile claims that have been closed in 2000:

- Statutory Accident Benefits Schedule (SABS) claims
- collision and direct compensation-property damage (DC-PD) claims (combined)
- comprehensive claims (excluding glass claims)
- glass claims

In addition to the closed claims register, insurers must provide their research organization with a percentage summary of their closed claims register. For example:

<i>Example of Percentage Summary</i>		
<i>Kind of Claim</i>	<i>Number of Claims</i>	<i>Percentage</i>
<i>SABS</i>	<i>4,000</i>	<i>40.0%</i>
<i>collision & (DC-PD)</i>	<i>3,000</i>	<i>30.0%</i>
<i>comprehensive</i>	<i>2,000</i>	<i>20.0%</i>
<i>glass</i>	<i>1,000</i>	<i>10.0%</i>
<i>TOTAL:</i>	<i>10,000</i>	<i>100%</i>

NOTE: Insurers who are also active Facility Association (FA) carriers must follow the same procedures and provide their market research organization with the same information about

their 2000 FA closed claims register, as they would for their 2000 regular closed claims register.

Timing

The survey is to be conducted by each company on an annual basis, with results delivered to FSCO by May 25 of each year.

IV. Reporting

After the data has been collected, **the survey research firm** is to submit the data set in a SPSS/PC+ format, on a diskette with the name of the insurance company and research firm clearly marked, to the Financial Services Commission of Ontario.

Each record in the data set must include:

- month and year of claim; and
- claims identifier.

The research company is to import this information into the data set directly from the sampling information provided by the insurance company.

The following information must be provided to FSCO:

- ! diskette with the name of the insurance company, name of research firm and contact clearly marked;
- ! a printed code book;
- ! a percentage summary of the company's closed claims register;
- ! frequency responses with details of sample size and percentages besides each response category;
- ! call report and confirmation that not-in-service telephone numbers have been looked up (for companies that cannot complete the required number of interviews).

NOTE: FSCO will review and analyse all surveys to ensure that the data submitted comply with all of the requirements set out in the Guidelines for Ontario Auto Insurance Claimant Satisfaction Research. If surveys do not meet the criteria of the guidelines or have discrepancies in the data submitted, insurers may be required to re-file or re-survey, depending upon the severity of the discrepancy.

V. The Questionnaire

The survey instrument included in the Appendix of this package has been thoroughly pre-tested to ensure that the questions are clear to respondents.

This exact questionnaire must be administered by all firms when measuring satisfaction among claimants.

NOTE: If firms decide to add additional questions to this survey, these must be placed at the end of the questionnaire to ensure that no bias is introduced into the satisfaction ratings.

Appendix A: The Survey Instrument

Claims Benchmark Questionnaire

1. “Good morning/afternoon/evening. May I please speak with **(claimant name)**.”

(IF AVAILABLE - CONTINUE)

(IF NOT AVAILABLE - SCHEDULE APPOINTMENT TO CALL BACK)

(WHEN CLAIMANT ON LINE) “Good morning/afternoon/evening. My name is (____) and I am calling from **(research company's name)** on behalf of **(insurance company's name)**. We are conducting a very short survey of Ontarians who have recently made insurance claims. Would you mind if I asked you a few questions? All of your responses will be confidential.”

(Note: If respondents have any questions or comments or would like to validate the legitimacy of this survey, please have them call the Canadian Survey Research Council, toll-free, at 1-800-554-9996, citing this project's registration #_____ and schedule an appointment to call them back)

(IF YES) “Thank you.”

(IF NO) “When is a better time for me to call back?” (SCHEDULE THE APPOINTMENT.)

2. “First, were you primarily responsible for dealing with the insurance claim you made in **(month/year)** with **(insurance company name)**, or was that someone else in your household?” (IF SOMEONE ELSE) “Would it be possible for me to speak with that person?” (IF NOT AVAILABLE, SCHEDULE APPOINTMENT).

3. (MAKE THE FOLLOWING STATEMENT ONLY FOR COMPANIES THAT SELL THROUGH BROKERS) “Please answer the following questions based on your claims experience with **(insurance company name)** and not your experience with your insurance broker who represents several different insurance companies.

“How clearly do you remember the dealings you had with **(insurance company name)** which related to the insurance claim you made in **(month/year)**, even if your only dealing with the company was receiving a settlement? Do you remember it very clearly, clearly, not too clearly, or not at all?

Very clearly

Clearly

Not too clearly (THANK THE PERSON AND TERMINATE INTERVIEW.)

Not at all” (THANK THE PERSON AND TERMINATE INTERVIEW.)

4. “Thinking back to the insurance claim you made with **(insurance company name)** in **(month/year)**, would you say that you were very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied with the way **(insurance company name)** dealt with your claim?

Very satisfied

Somewhat satisfied

Somewhat dissatisfied

Very dissatisfied

Don't Know”

5. “We have come to the end of our survey. Thank you very much for your time.”

Appendix B: The Canadian Association of Marketing Research Organizations (CAMRO)

The Organization:

- ! Established in 1975.
- ! The voice of Canada's leading marketing research organizations and *the* source of information on the industry in Canada.
- ! Represents CAMRO members in their dealings with the public, governments, the media, educational and business communities.
- ! Maintains and improves research standards, rules of professional conduct and ethical practice.
- ! Develops and communicates the views of its members on critical public policy issues relating to marketing research and public opinion polls.
- ! Promotes marketing research as an important tool in the decision-making process of public organizations.
- ! Seven-member Board of Directors from a representative cross-section of the membership.

The Members:

- ! Incorporated, have been operating in Canada for a minimum of two consecutive years and have at least six full-time employees.
- ! Offer research, study and sample design, questionnaire preparation, interviewing, data processing, statistical analysis and report writing.
- ! Must meet the high standards of ethical and professional practice as determined by the Board of Directors.
- ! Independently audited and monitored on a regular basis to ensure that research practices of members are above reproach.
- ! Accountable to the publics, companies and organizations they serve.

For more information about CAMRO and its members:

**The Canadian Association of Marketing Research Organizations
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Tel: (905) 826-5437 ! Fax: (905) 826-4873 ! <http://www.camro.org>



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Questions and Answers (Q's and A's) on Claimant Satisfaction Research

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Questions and Answers on Claimant Satisfaction Research

Q1. What are private passenger automobile claims?

A1. Private passenger automobile claims are claims on risks that are underwritten as a private passenger type of use as defined under the *Insurance Information Centre of Canada (IICC) Automobile Statistical Plan*. This means that claims on commercial, public automobile, garages, manufacturer and automobile dealer-type of uses are not to be reported.

Q2. The *Guidelines for Ontario Auto Insurance Claimant Satisfaction Research* make reference to a “closed claim.” What does it mean?

A2. In the normal course of claims administration, files are kept open as long as there is a benefit entitlement that is claimable by the claimant. One such file is called an “open” or active file. However, when an insurer has paid out all the benefits to a claimant, and has carried out all the supporting activities relating to the benefit entitlement, the file is then viewed as a “closed claim” file.

Q3. What type of claims would the *Guidelines for Ontario Auto Insurance Claimant Satisfaction Research* apply to?

A3. The claimant satisfaction guidelines only apply to the following **four types of private passenger automobile insurance claims**; SABS, collision and direct compensation - property damage (DC-PD), comprehensive, and glass claims.

Q4. Should insurers who are Facility Association (FA) Servicing Carriers combine their regular and FA data when conducting the survey ?

A4. No, insurers who are also **active** FA servicing carriers **must** provide two closed claims registers to their market research organization – one for the regular business and one for the FA business. The market research organization will then conduct two separate surveys and file the results with the Financial Services Commission of Ontario (FSCO). The results from all the FA carriers will then be combined and published as a single company under the FA heading.

Q5. What would the market research organization we retain need from us to select the sample?

A5. To select an appropriate sample for the desired response rate, all insurers must provide their research organization with a closed claims register. The register is a list of the four types of private passenger automobile claim

files that were closed in 2000, **regardless** of the policy year in which the policy was underwritten.

For example, for the survey in 2001, the closed claims register would be made up of the four types of closed claims pertaining to the period January 1, 2000 to December 31, 2000.

NOTE: Research organizations *must* ensure that the sample chosen is representative of the closed claims register of a particular company. For example, if a company's closed claims register is made up of 20 per cent SABS, 20 per cent collision and direct - compensation property damage (DC-PD), 50 per cent comprehensive and 10 per cent glass claims, then the sample chosen should have the same percentages of claims. Insurers **must** provide their research organization with a percentage summary of their 2000 closed claims register to enable the research organization to choose a representative sample size.

Q6. Can survey results be weighted by market research organizations for those companies that cannot meet their kind of loss quotas, due to the small size of their closed claims register?

A6. Market research organizations who cannot meet their kind of loss quotas *because they cannot conduct any further interviews* due to a company's small claims register, should weigh results by kind of loss to appropriately reflect a company's closed claims register.

NOTE: If the required number of interviews cannot be completed, a report should be generated and provided to FSCO on the outcome of call attempts, to show that every effort had been made to complete the study. Market research companies must maximize the number of attempts they make to interview each claimant. Attempts must be made to locate correct telephone numbers and re-contact the claimants in those cases where claimants have moved, or where an incorrect number is listed.

Q7. Can insurers use market research organizations that are not members of CAMRO?

A7. No. Insurers must retain only market research organizations that are members of CAMRO.