

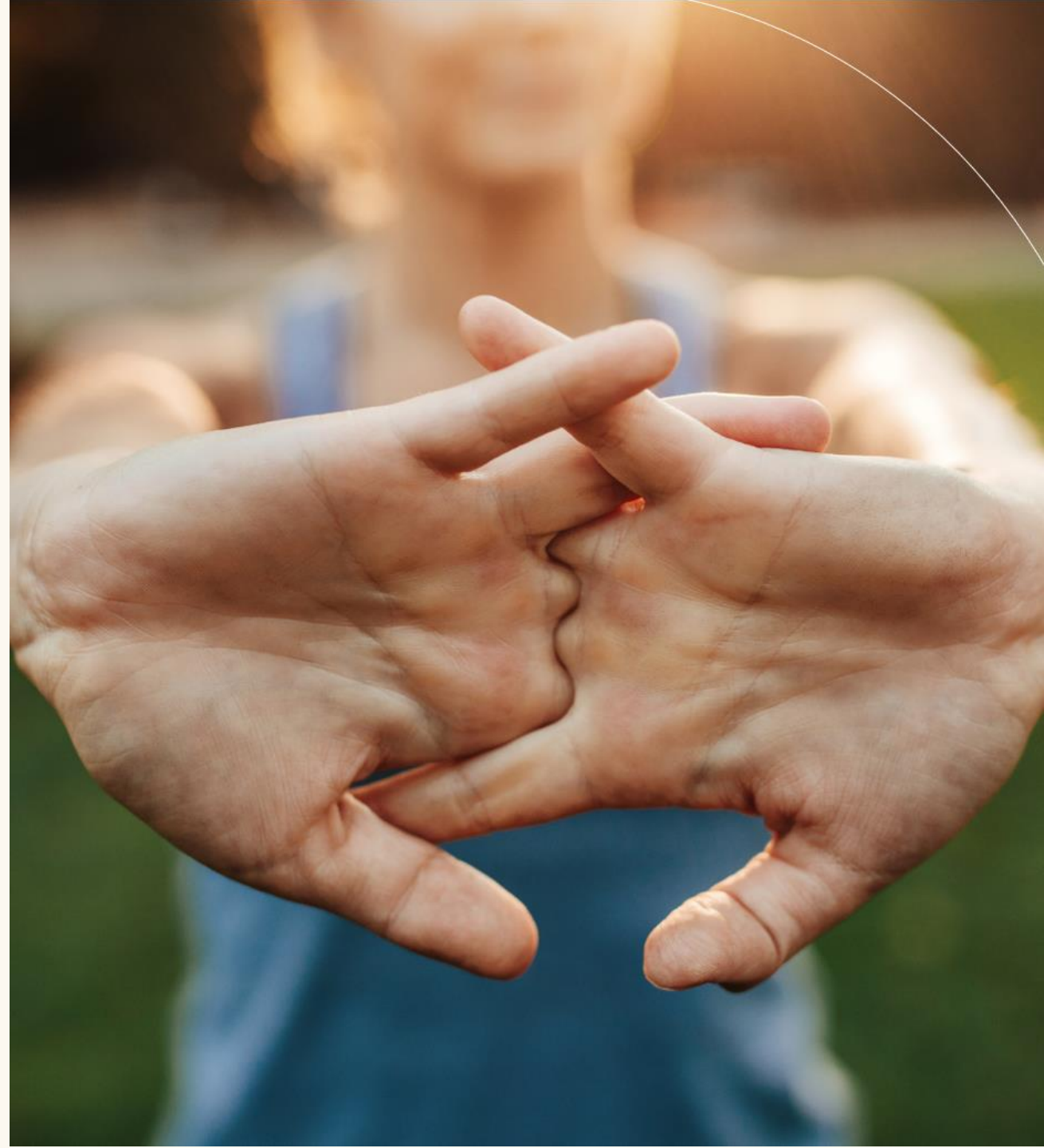


Why Wellbeing is What Clients Want

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MLC Life Insurance

Agenda

- ♥ What is Wellbeing?
- 💬 The Research: What Clients Want
- 📊 Value of Retention & Engagement
- 📄 Implementation: The Advice Delivery



What's the Story with Wellness?

What clients say and the global research

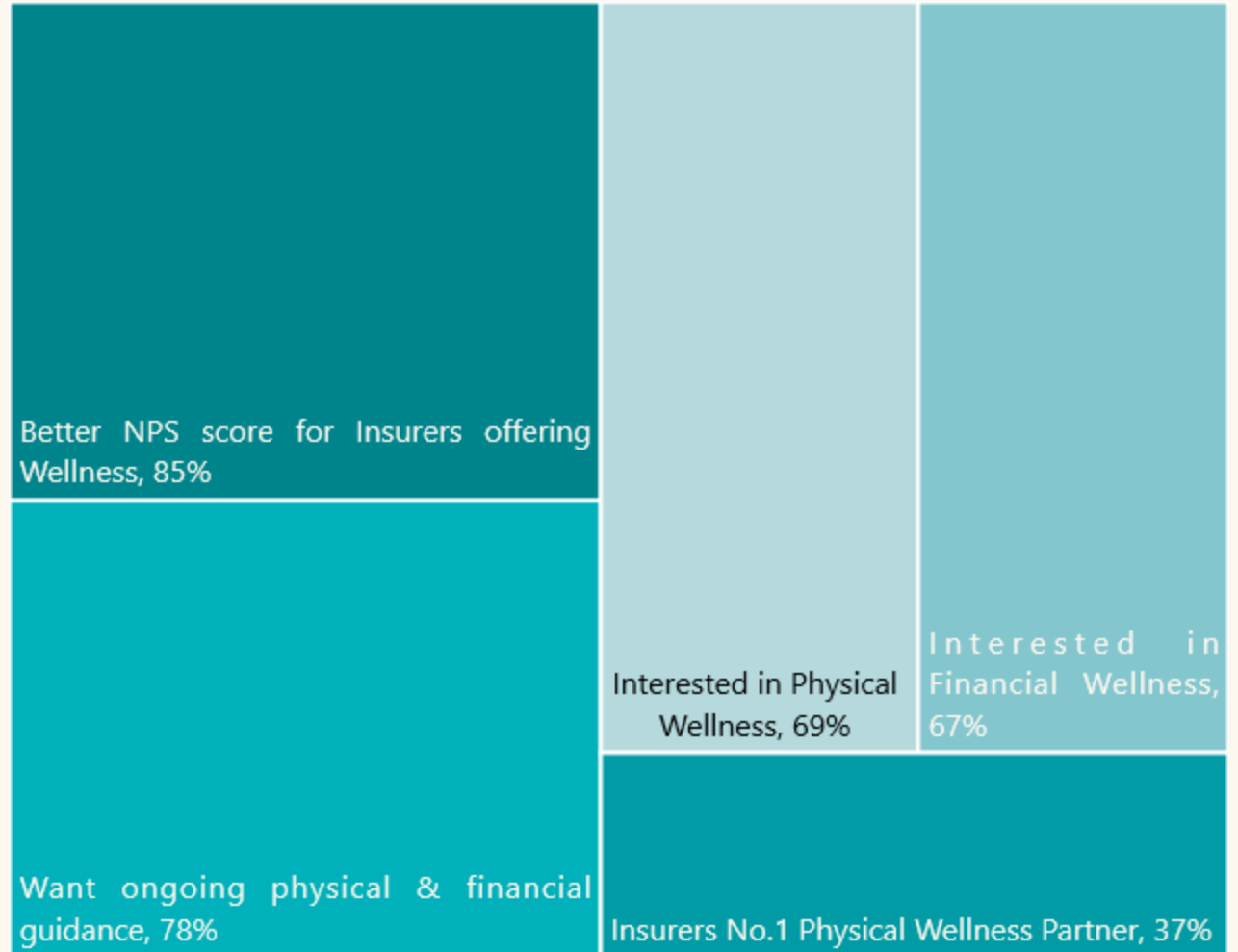
How do we define Wellbeing?

“Wellness is a state of complete physical, mental, and social well-being, and not merely the absence of disease or infirmity.” – The World Health Organization



What do Clients say?

Recent Global Research (World Life & Health Insurance Report 2022)
Highlights client attitudes towards Wellbeing from their insurance providers.



Poll 1

How would you describe your current usage of insurance wellbeing offerings?

- A) I avoid using/talking about them
- B) I have some knowledge but not confident
- C) I like to discuss wellbeing offerings with clients
- D) I regularly use wellbeing offerings as an engagement tool with clients



Insurer Wellbeing Programs



Premium Discounts



May be upfront or ongoing with requirements

Could be linked to BMI or more in-depth tracking

Differ in level of engagement required to achieve 'reward'



Additional Health Services



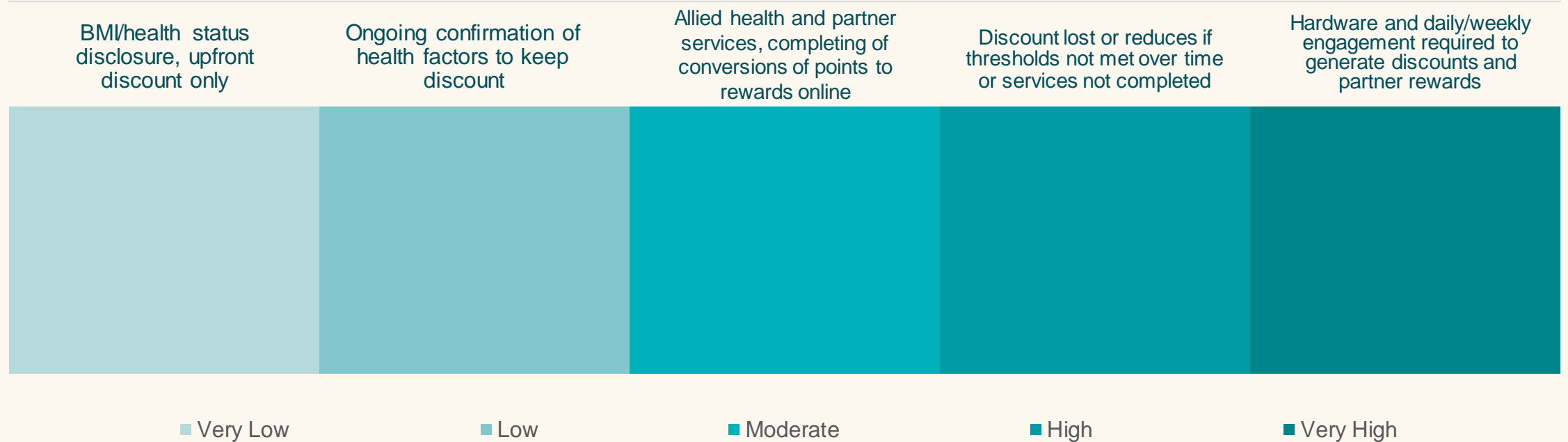
May include access to medical advice or allied health services like Ex-Phys and Dieticians

Mental Health services and support

Discounts on affiliate equipment or services

Horses for Courses

Level of engagement for Wellbeing Reward

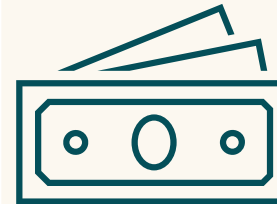


Client Behaviour



Preventative care is actually cost effective in lowering future health expenses making it similar to long term investment & budgeting

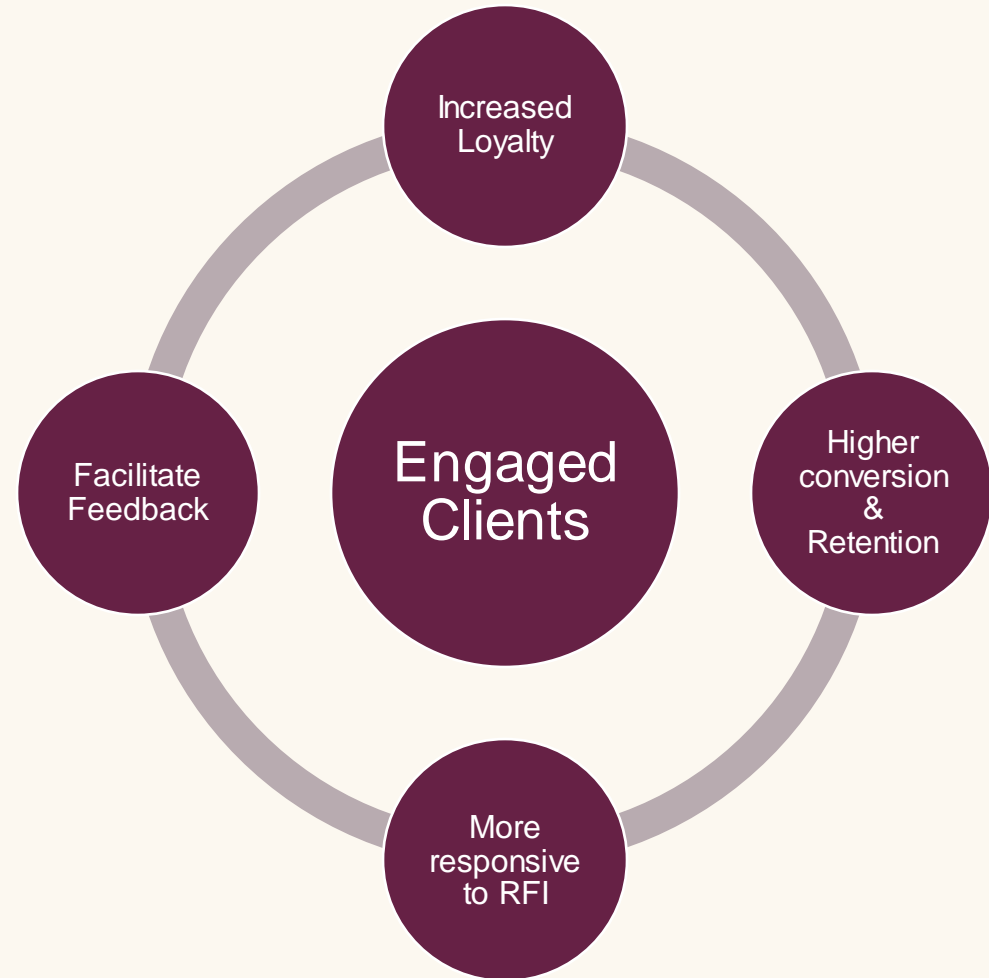
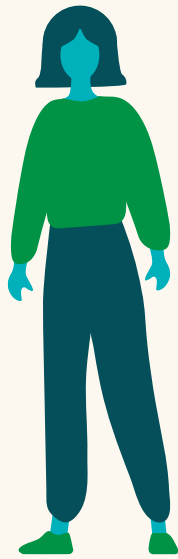
Strong feedback loop between physical and financial health makes the two intertwined for wellbeing



Millennials spending over 20% less on alcohol/cigarettes & 23% more on Private Health Insurance
77% see Healthy, balanced lifestyle as "very" or "extremely" important

Benefits of Engagement

What's the benefits to a business in having engaged clients?



Wellbeing: What's actually on offer?

The Vivo Example

Vivo Virtual Care brings together the services available through MLCL's partnership with Teladoc (Best Doctors) into a digital experience, accessible via the Vivo website for your clients and their family*.



Doctors Online

Get answers to general non-urgent medical questions from a panel of registered doctors in Australia.



Expert Medical Opinion

An in-depth review of any physical condition from leading global medical experts, delivering a better understanding of diagnoses and treatment options.



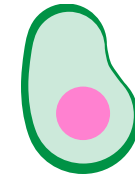
Mental Health Navigator

Access a discreet, expert clinical review of diagnosis and treatment plans for mental health conditions.



Fitness Consultant

A video consultation with an Exercise Physiologist who will deliver a fitness plan tailored to goals and lifestyle.



Nutrition Consult

A video consultation with a Dietician who will deliver a nutrition plan tailored to goals and lifestyle.

Wellbeing – Not just at Claim Time



Don't wait until it's broken – value of preventative care has risen



The maths of insurance says most clients don't claim so how do they extract some value?



Advice is an ongoing relationship not just a 'set and forget' until claim time

Let's look at life's journey



Married with children



Young and healthy – Fitness Consult



Postnatal Depression – Mental Health Navigator



Diagnosed with Cancer – CancerAid Coach



Getting fit and healthy – Nutrition Consult

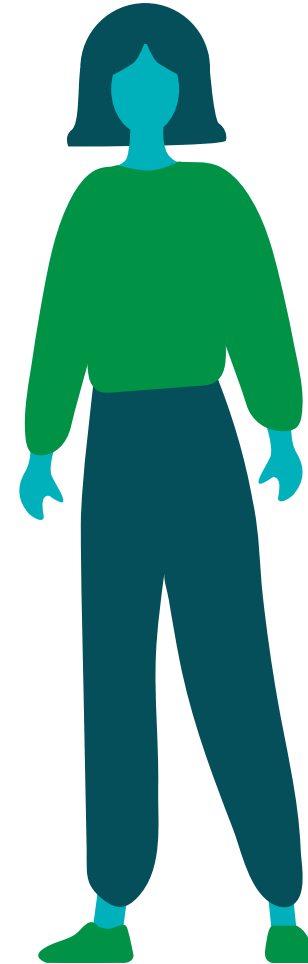
What's the Impact on Advice?

The value for advisers

Poll 2

How would you describe your client base?

- A) Mostly one-off initial clients
- B) Mostly ongoing relationships/service clients
- C) Mostly some level of ongoing relationship but no formal offering



Financial Advice and Ongoing Relationships

The value of advice sits beyond the numbers into the overall wellbeing of clients – does it make sense to further embed this with a more holistic view?



What do Client Say?

- Increased Confidence
- Improved Wellbeing
- Improved Decision Making

Holistic Satisfaction

- Advised Australians rate overall life satisfaction 7.3/10 vs 6.4 for unadvised.

Financial Preparedness

- Over 1 in 4 report preparedness scores above 70/100 vs less than 1 in 10 unadvised

People with Advisers

- Have higher quality insurance
- Save more
- Are confident about their future

Retirement

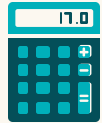
- They Retire Earlier
- They Retire on their own terms
- They Retire Richer

Claims Outcomes

- Advised clients have support & peace of mind
- Higher acceptance rates vs unadvised cover**

How does financial advice benefit Australians?

The Value of Client Retention



Value of risk advice has not changed however the complexity of onboarding a new client have

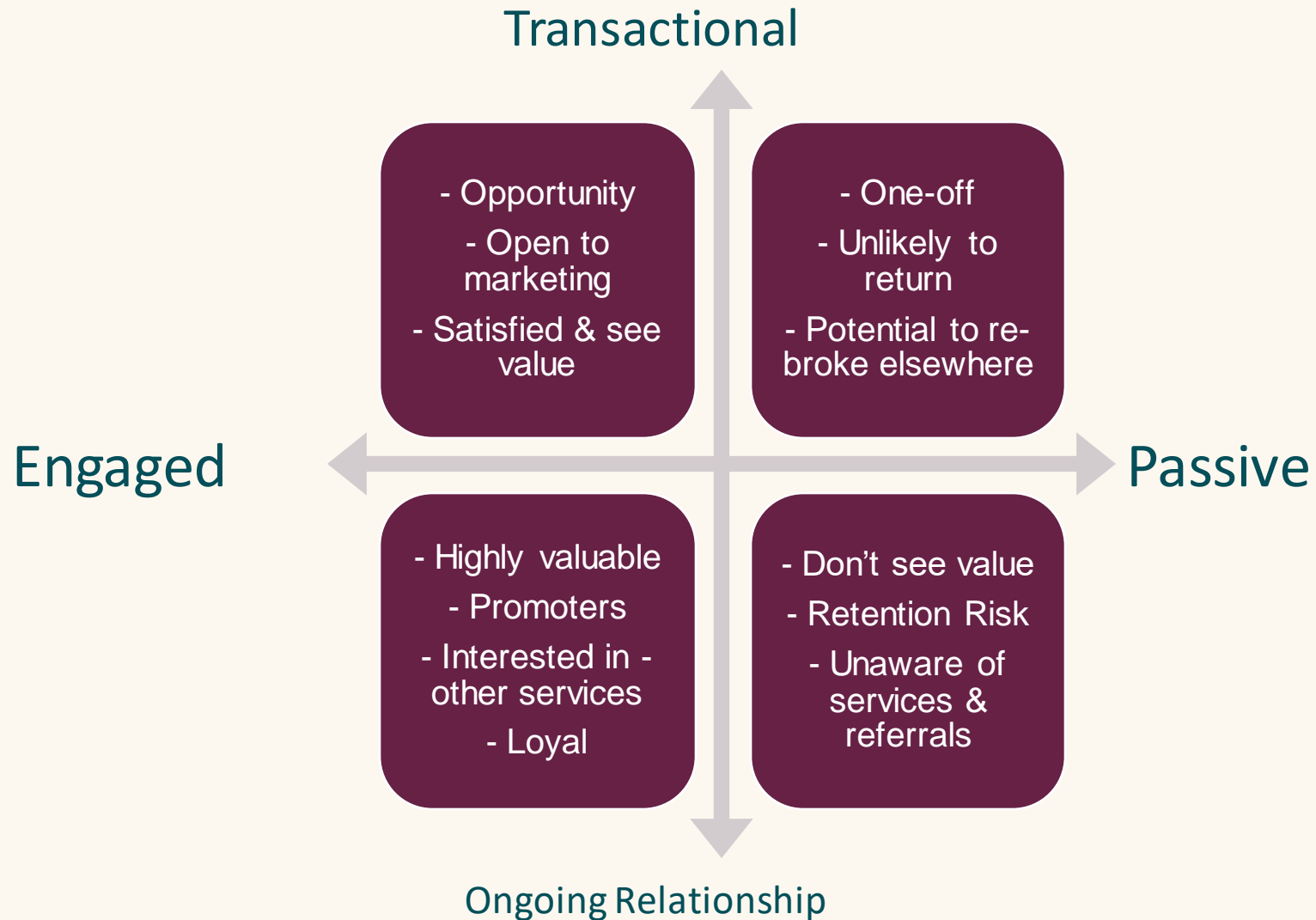


Remuneration has shifted to from more emphasis on upfront, to higher weighting in ongoing trail or client fee arrangements

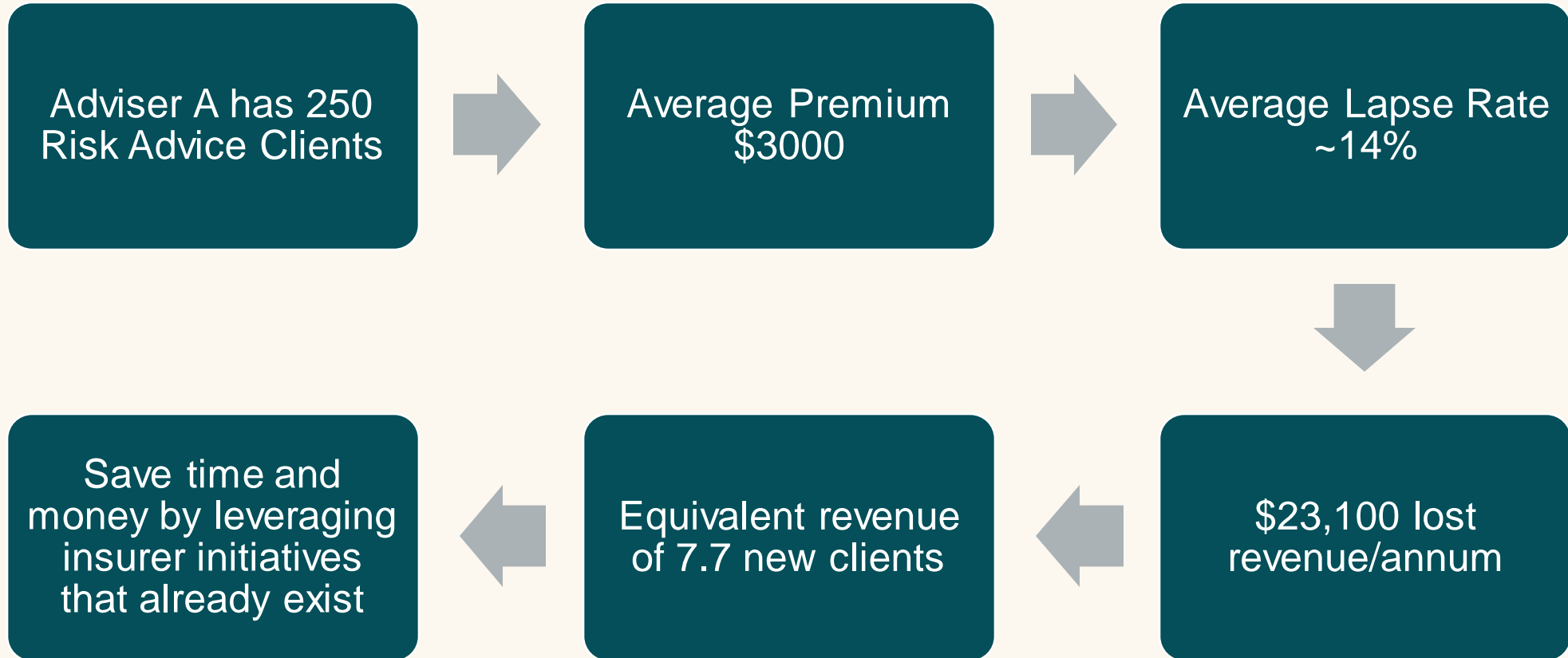


More clients are ongoing holistic clients, where risk is an integral part of their family financial security, rather than transactional.

How do Engaged Clients Behave?



What's the Value for Advisers?



How can we integrate Wellness?

Building into advice conversations

Poll 3

Wellbeing offerings can help as an alignment to individual goals for fulfilling 'Best Interest' Duty?

A) True

B) False

C) It Depends



Advice Construction – Best Interest Duty

*The provider must only provide the advice to the client if it would be reasonable to conclude that the advice is **appropriate** to the client – S961G Corporations Act 2001*

All advice and financial product recommendations that you give to a client must be in the best interests of the client and appropriate to the client's individual circumstances – Standard 5 Financial Adviser Code of Ethics

Ask the appropriate questions, not just the 'numbers'

Through pre-underwriting understand clients current situation & understand alignment to potential Wellbeing offerings

May not be the no.1 driver, but can be a deciding factor in demonstrating appropriateness to personal circumstances

Example Scenario



Do you have and find value in making use of your private health cover?

Yes, I usually use my full allotment of extras each year



Do you participate in any social or competitive sports?

Yes, I play cricket & football in a local side depending on seasonality, and also play golf socially.



Do you currently track your activity or have activity based goals you want to achieve?

I just try and keep active but don't really worry too much about tracking steps and activity.

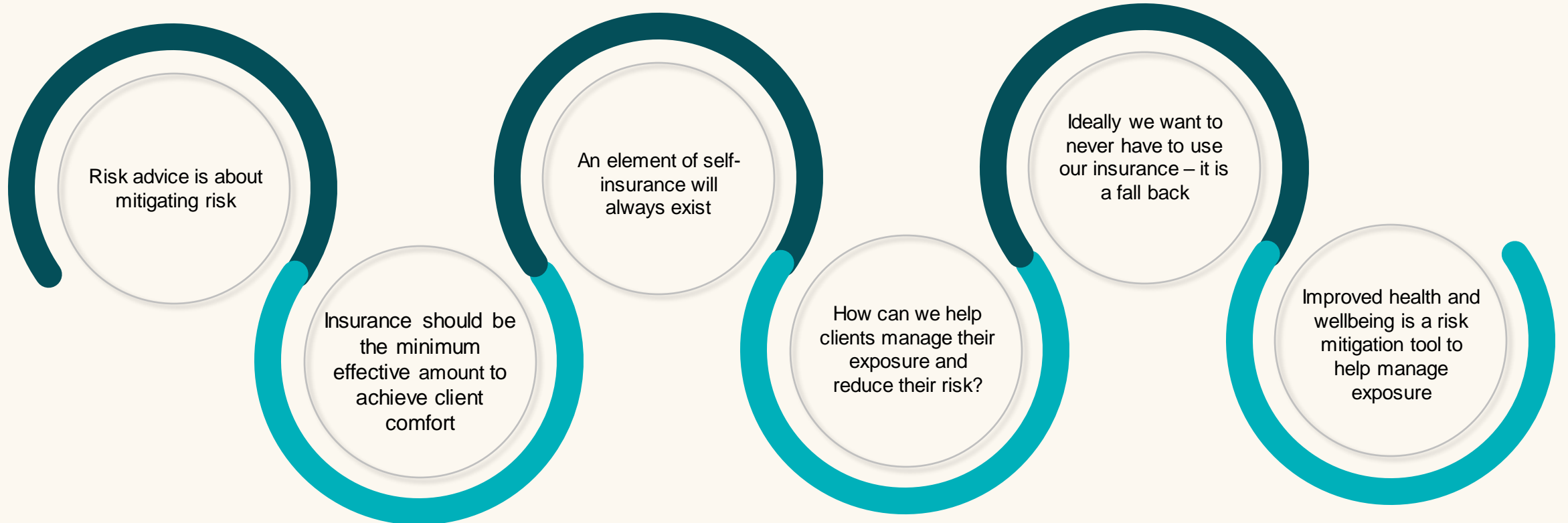


How important is health to your overall wellbeing? (1-10) Do you feel good health helps you financially?

Very important, 8. Good health is essential to my ability to perform well at work, do what I need to around the house to ease our need for outside help. We would be worse off if I wasn't at my best.

Wellness is Risk Mitigation

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Through enhanced wellbeing we can align not only product selection to client objectives, but overall risk mitigation

Integrating into Ongoing Service



Linking of wellbeing as the protection goal of the insurance product. Positioning of the services available beyond just the sum insured.

Renewal materials to include reference to original protection goals but also a reminder of the insurers offer and importance of improved health to potential positive review

Adviser claims proposition to include directing client to appropriate insurer wellbeing services and ensuring they act upon that offer to return to health

Complementing Claims Philosophy



Claims support and a designated claims proposition is a critical component of risk advice.



Awareness to direct clients to insurer support when a health/claim event has occurred is a considerable value add.



These services then become a built in part of the insurance proposition at recommendation time, setting client expectation of the support the adviser can help facilitate at claim time.

Clients see immense value in Wellbeing offerings and insurers have responded, presenting an opportunity for advisers to leverage this to add value to their client relationships.

Additional Materials

- Resources & Educational Sessions



Head to the MLCL Adviser Portal for On-Demand CPD Sessions



Technical & strategy questions:
rdptraining@mlclifeinsurance.com.au



Reach out to your MLCL BDM for Materials & Vivo Wellbeing Information



Monthly Live Q&A Sessions on LinkedIn Live

Register for May Webinar **Advising the Grandfathered Income Protection Client**



Register for June Webinar **Building a Modern Insurance Philosophy**



Any questions?



Thank you

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