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Insurance
Institute

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Traumatic and distressing claims: Do they impact claims professionals?





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Warning: Sensitive Content

This report contains information and discussions related to mental health issues, which may include content that could be triggering or distressing for some readers.

We recognise that mental health concerns can be deeply personal and potentially challenging to engage with. Reader discretion is advised.

If you or someone you know is struggling with mental health issues, we encourage you to seek support from professionals and organisations specialising in mental health.

If you need support:



Mind
mind.org.uk

InfoLine: **0300 123 3393**

The Mind InfoLine can help you find specialist services in your area.

SAMARITANS

Samaritans
samaritans.org

Freephone 24/7/365: **116 123**



Shout
giveusashout.org

Text **SHOUT** to **85258** for immediate support to chat by text to a trained and supervised volunteer. Free, confidential, available 24/7/365.

About us

The Chartered Insurance Institute is the professional body dedicated to building trust in the insurance and financial planning profession. Our strapline Standards. Professionalism.Trust. embodies our commitment to driving confidence in the power of professional standards: competence, integrity and care for the customer.

We deliver that commitment through relevant learning, insightful leadership and an engaged membership. Our 127,000 members commit to high professional standards by maintaining continuous professional development and abiding by our Code of Ethics. The Chartered Insurance Institute is proud to be a member of the Chartered Body Alliance and the Institute for Global Insurance Education.

Find out more at: cii.co.uk

New Generation Claims Group

This report has been produced by the Claims New Generation Group, a group of Chartered Insurance Institute (CII) members. The mission of this project is to shape the future of the Claims industry, improve customer experience, and further public trust in insurance.



Objectives

The aim of this project is to investigate and identify whether claims professionals suffer second-hand trauma when handling distressing claims.

Our Objectives

- 1. Gain an understanding of the potential impact of handling distressing claims on employees, how this may impact a claims professional's mental health, and the support available within the industry and organisations.**
- 2. Mitigate the potential impact on customers. If claims professionals are experiencing second-hand trauma, this could result in a poor standard of service, and thereby a failure to achieve good customer outcomes.**
- 3. Bring about change in the insurance profession. If there is a problem, we want to create awareness so that organisations adapt their practices to support claims professionals.**

What is “second-hand trauma”?

For the purposes of this project, second-hand trauma can be defined as exposure to claims that involve distressing circumstances or outcomes, which could negatively impact a claims professional's well-being, whether temporary or long-term. Whilst not exhaustive, examples include:

- Viewing images, reading witness statements and/or dealing with claimants who have suffered life changing injuries.
- Handling of major losses where the claimants have lost their home, all or majority of their belongings, or suffered irreparable impact to their business.
- Managing vulnerable customers and/or delivering unfavourable decisions which may lead to extreme economic distress for the claimant.
- Working in a class of business which may cause you to relive a past experience e.g. pet loss, serious car crash, violent robbery, or an accident on holiday.

It's just part of the job...

Anonymous claims professional



What we discovered

There is limited empirical evidence and research regarding the impact of handling distressing claims on claims professionals.

In 2018, the Chartered Insurance Institute (CII) released a blog on broker wellbeing¹. Whilst it stated that brokers 'are exposing themselves daily to worst-case scenarios and the aftermath of traumatic events' and acknowledged that 'the pressure of assessing claims like these, especially when a broker is juggling several complicated cases at the same time, can put a considerable strain on even the most resilient of experts', **there wasn't any research conducted to delve further into this.**

The CII released a publication in 2021 on the impact of Covid-19 on insurance professionals mental health². This acknowledged the importance of insurance professionals looking after their own mental health to ensure they can assist customers in vulnerable circumstances, with a reference to "good mental health in the workplace, is as important as physical health and safety". To support this, the CII produced a Good Practice Guide for Claims Professionals³.

However, the guide focuses on how claims professionals should adapt to support customers with mental health conditions, and does not focus on the mental health of the claims professional.

51% of companies take a strategic approach to wellbeing. A 3rd of managers feel out of their depth when supporting their team.

An article produced by Insurance News in 2022 discussed the impact of supply chain issues causing stress on adjusters in Canada and the United States⁴. It acknowledged that customers can take their frustrations out on adjusters which in turn has a negative impact on the adjuster's mental health.

FCA's key objective is to protect consumers from harm. The regulator does not have responsibility to protect claims professionals from potential harm. This is the direct responsibility of the organisation to protect their employees.

It is important to state that this research aims to understand the impact specifically of distressing claims on claims professionals' mental health. The impact on professionals caused by day to day issues such as workload have been excluded.



Links to research:

1. On broker wellbeing (cii.co.uk)
2. Insurance professionals reveal impact of Covid-19 on mental health (cii.co.uk)
3. socp-mental-health-gpp.pdf
4. Inflation and supply chain delays adding stress for claims adjusters | Insurance Business Canada (insurancebusinessmag.com)



What we did next

There is a growing curiosity surrounding the handling of traumatic and distressing claims and the potential impact on mental health. While prevailing anecdotes hint at a potential influence of distressing claims on mental health, there is a lack of research to substantiate this assumption, particularly in the United Kingdom.

The intricate and emotionally charged nature of distressing claims prompts a pressing need to investigate how claim professionals navigate these challenges and whether such experiences impact their inclination to remain within the industry.

This project aims to delve into this topic to assess if the assumptions are in fact correct and if so, what impact is being felt by the professionals handling these claims day to day. A combination of qualitative and quantitative methodologies were used, with a survey via Microsoft Forms being used, as well as in depth conversational style interviews.

All responses are anonymous, where a quote may lead to identification of an individual the relevant identifiers have been removed or replaced.

The survey was publicised on LinkedIn and via the CII quarterly newsletter between 04 May 2023 and 31 May 2023. A total of 261 responses were received and 4 qualitative interviews took place.

Our Research Tools:

Survey

Interviews

LinkedIn

CII Newsletter



Survey results

Survey Demographics

The results of the survey are shown below. The full survey questions can be found in the Appendix and you are welcome to use this to carry out a survey within your organisation.

261 people responded to the survey.

210 respondents said they had been exposed to traumatic claims.

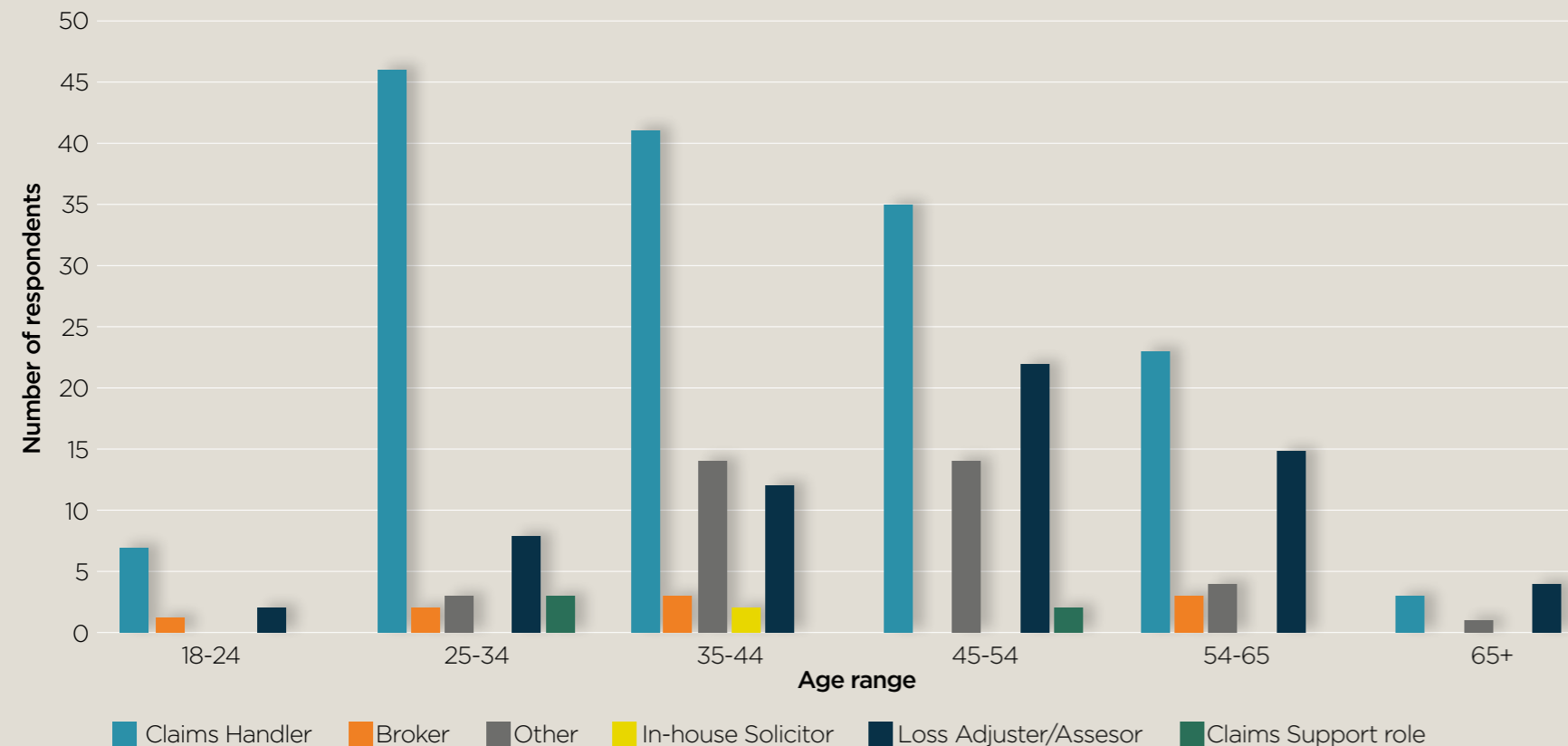
51 respondents advised they had not been exposed to traumatic claims and were therefore excluded from the data set.

Exposed respondents were able to select multiple lines of business to capture their full working history.

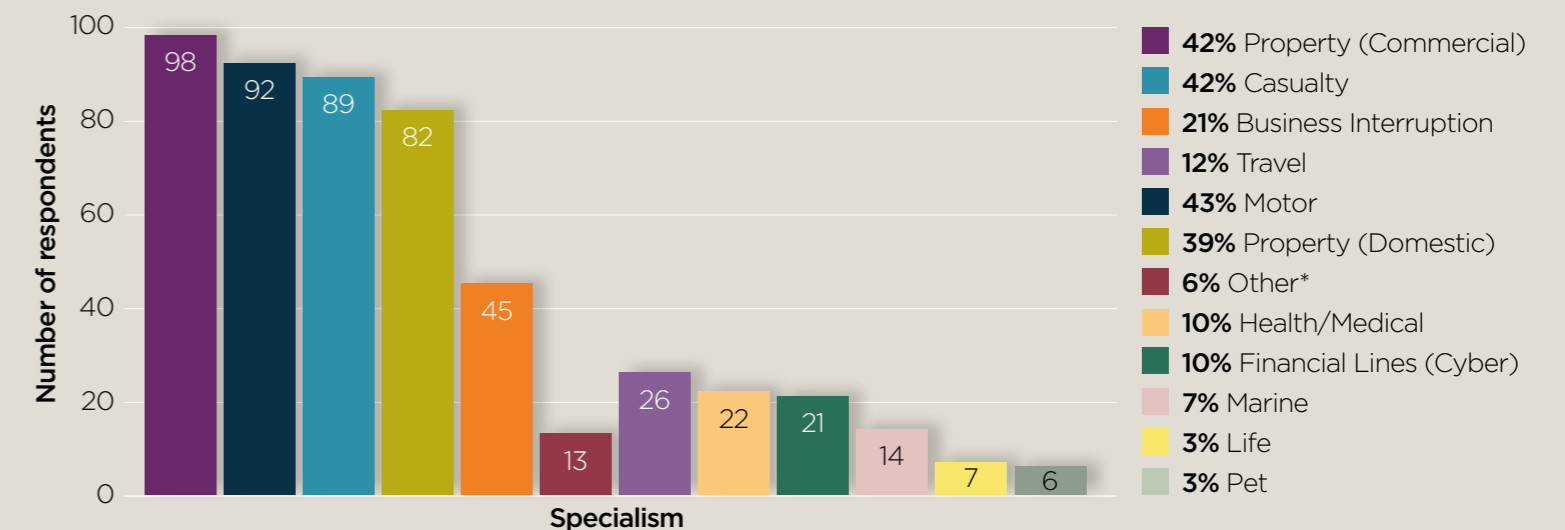
32% of respondents had worked in roles that exposed them to traumatic claims for over 22 years.

The results show exposure to traumatic claims across all lines of business we enquired. In particular, within Property, Motor and Casualty.

Age and role



Lines of business in which claims professionals were exposed to distressing claim circumstances, which could have caused second-hand trauma



*Examples of "Other" include Engineering; construction; miscellaneous financial losses.



Survey results

Real life examples of distressing claims

Organised Crime/ Murder Threat

Policyholder was a convicted drug dealer, organised crime gang leader suspected with ordering murders. He submitted a fraudulent claim and police advised if his claim wasn't paid, he would likely order the murder of whoever didn't pay his claim.

Fatality

Death of family members in house fires. One case of accidental fire and one case of Arson.

Claimant found their mother deceased

Not a very nice claim to handle, where a son called at his mothers who had dementia, only to find the windows were all steamed up, when he entered the house was like a greenhouse, wallpaper off the walls and everything hot and wet. His poor mum had decided to get in the bath, which she never does. But you can imagine what her poor son found. He described it as a horror movie, and this was his deceased mum, who lay in the bath for 3 days. You don't get any more heartbreaking than this. Even writing this, I could cry.

Images of deceased/ suicidal claimant

Pictures of the deceased I did not request. Pleading customer due to financial distress. Hints of suicidal ideation.

Fatality

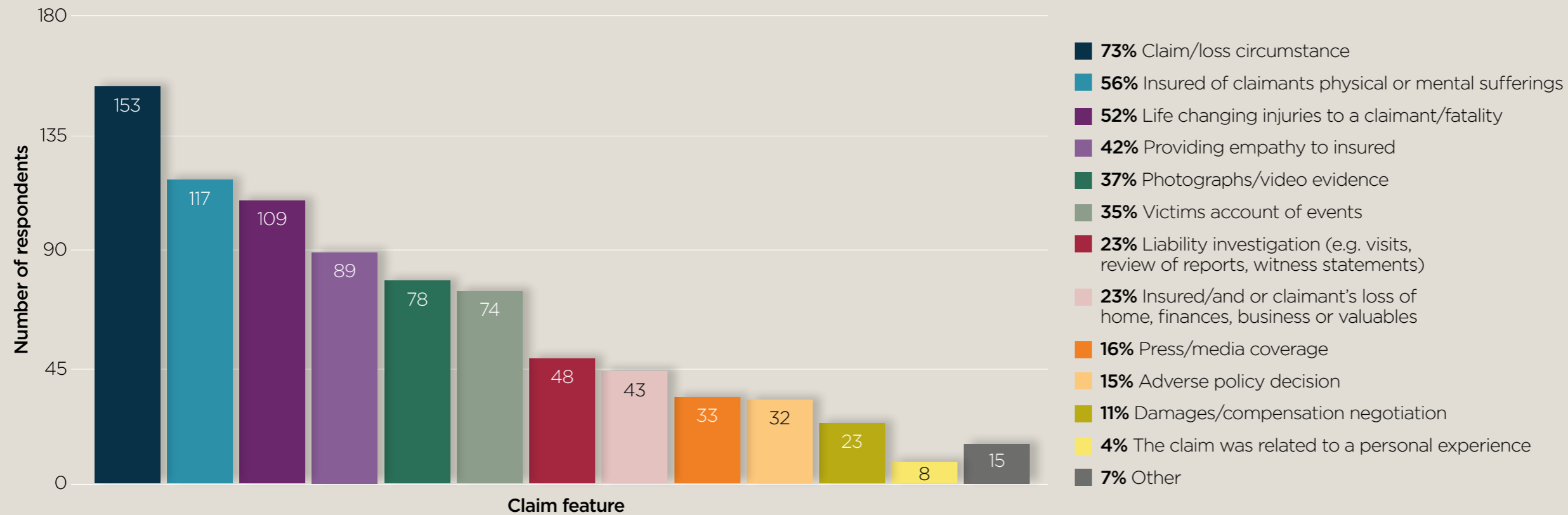
I have dealt with many claims in which lives have been lost. The worst was a murder of a five year-old.



Survey results

Thinking back to the most distressing claim you handled, which features made the claim particularly distressing? (tick all that apply)

Features which made the claim distressing



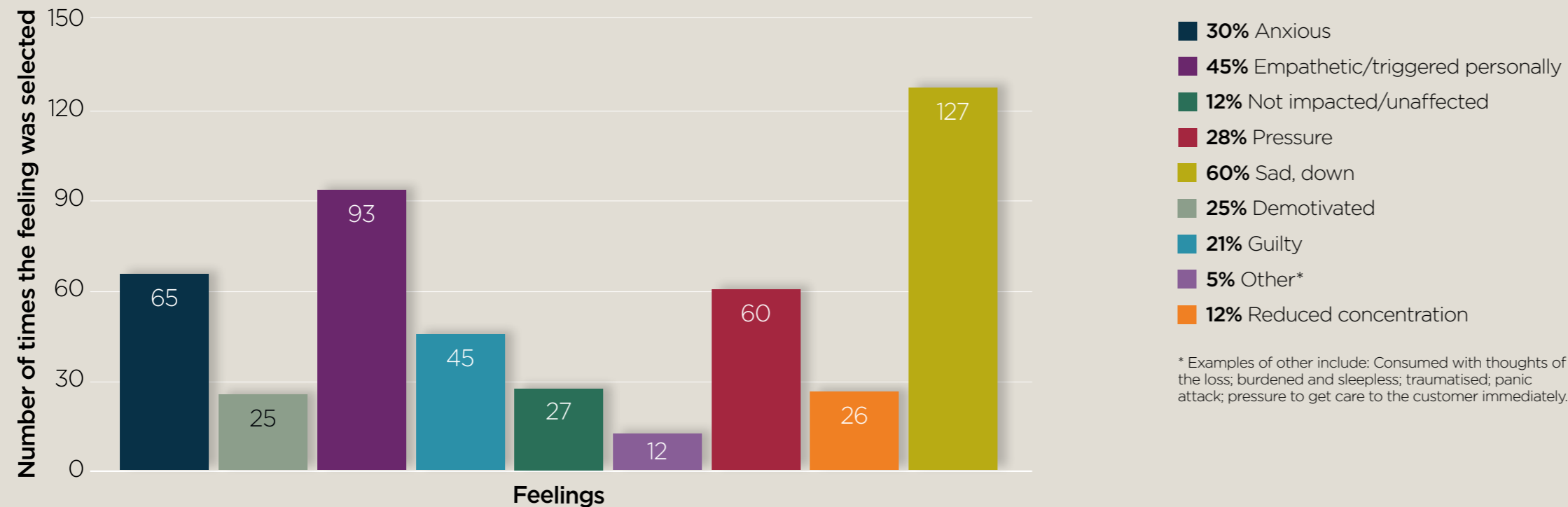
I have been dealing with second hand trauma/distressing claims for 30 years, all day every day. It's my job. I am hardened/numb to any impact. Or at least I think I am.



Survey results

Thinking back to your most distressing case, how did it make you feel?
(tick all that apply)

How did the respondents most distressing claims make them feel?



* Examples of other include: Consumed with thoughts of the loss; burdened and sleepless; traumatised; panic attack; pressure to get care to the customer immediately.

Including the “Other” category, approximately **86% of respondents** experienced a **negative feeling** after handling a distressing claim.

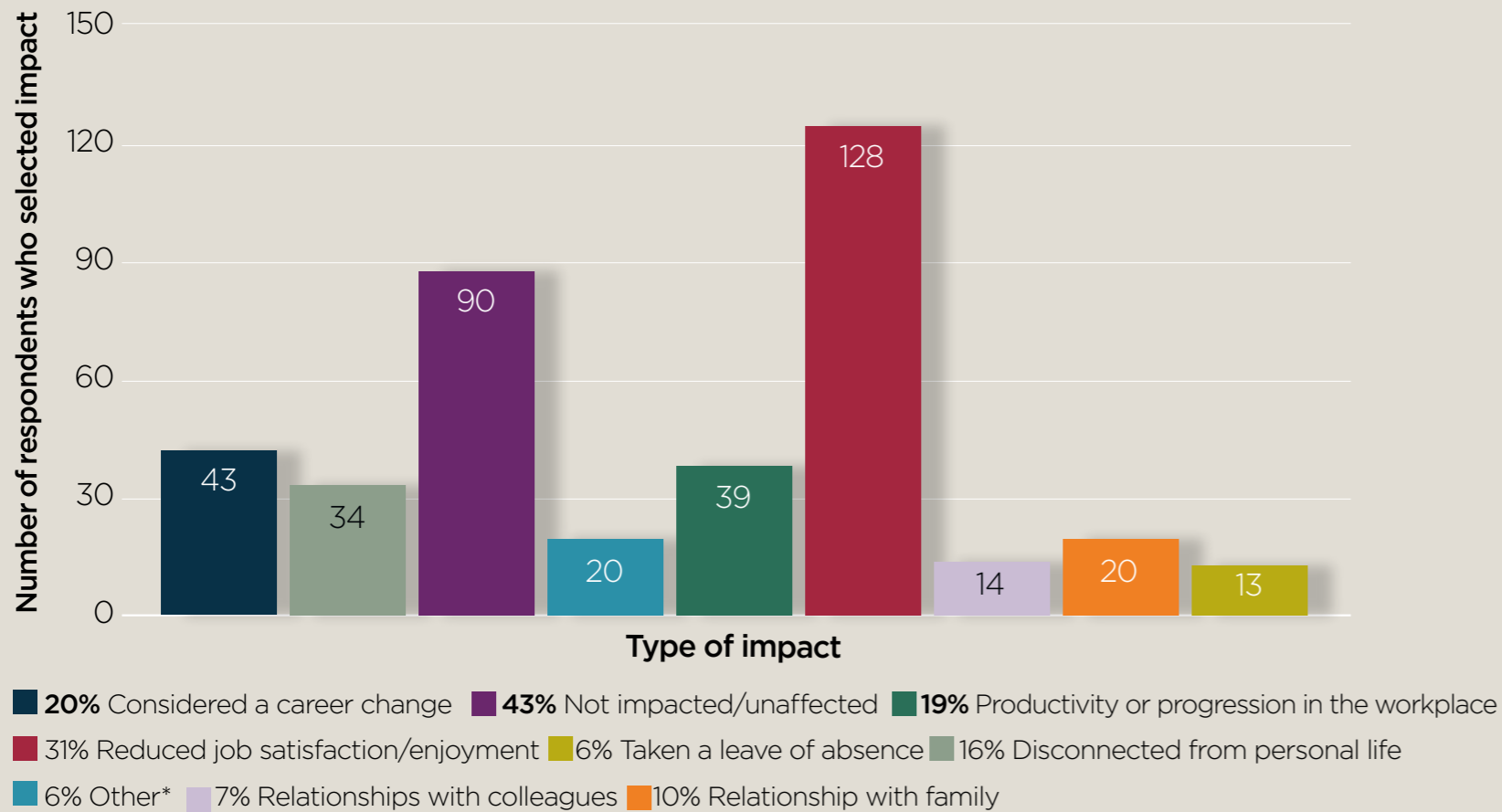
All consumed with thoughts about the loss and the person /people suffering. Burdened and sleepless.



Survey results

What impact has handling distressing claims had on you?

The impact of second-hand trauma



* Examples of "Other" include: Affects ability to drive comfortably; numbness; desire to dull with a drink; flashbacks.

Including the "Other" category, approximately **50% of respondents experienced an adverse impact** after handling a distressing claim.

In an article by Business Leader in April 2023, the Insurance sector was listed as the industry facing the biggest shortage of employees⁵. The quote that **'there is a risk of just one in 100 jobs being filled'**, highlights that it is imperative for businesses to ensure staff are happy and engaged with their roles to prevent high staff turnover.

In our survey, the majority of respondents who were impacted by handling distressing claims suffered reduced job satisfaction/enjoyment and considered a career change.

If businesses are to reduce their staff turnover it may pay dividends to consider the impact of distressing claims on staff and mitigation actions that may be taken to assist with this.

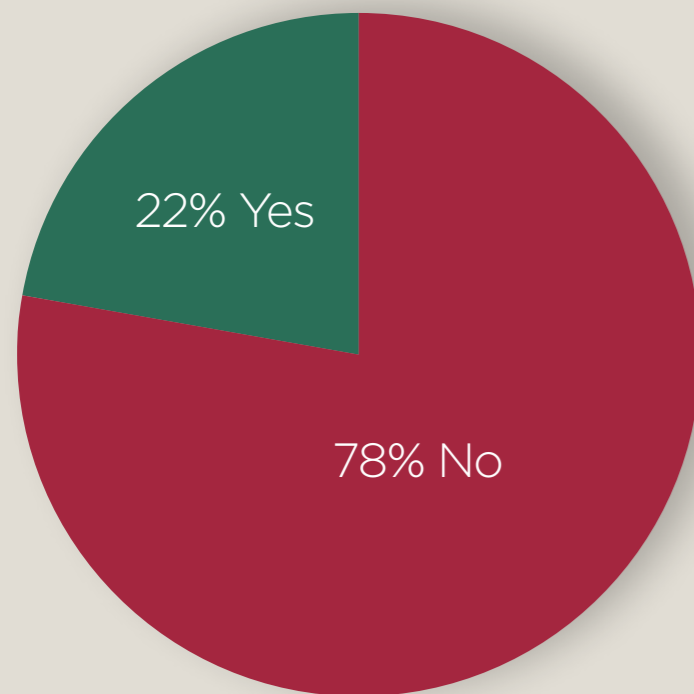
I've been at claims where the customer has been crying. Inside, I have nearly started crying too, perhaps because no-one ever trained me in why people cry or what to do about it.

5. Skill shortages hitting insurance, eCommerce and transport hardest - Business Leader News



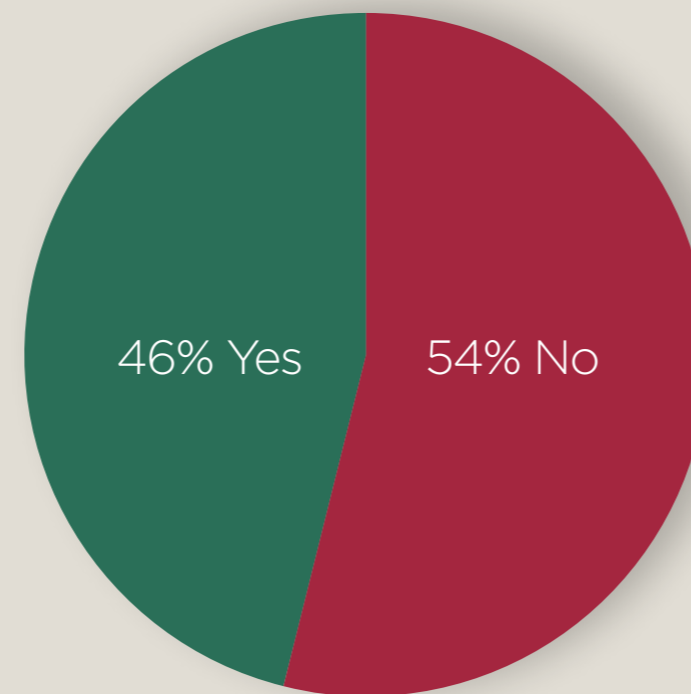
Survey results

Has your employer taken steps to identify, prevent or manage instances where second-hand trauma could arise?



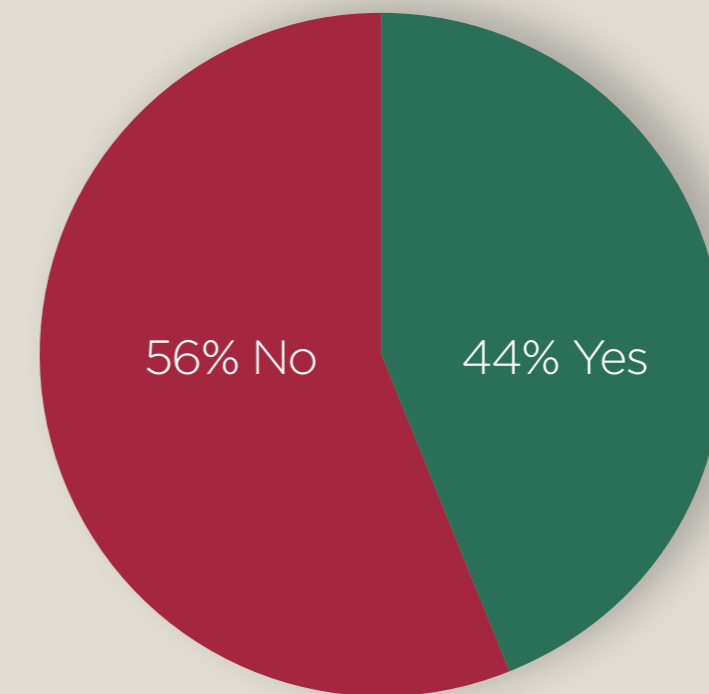
78% answered No.

Does your employer provide any support to employees who encounter distressing claims?



54% said their employer does not provide specific support for this.

If you suffered from stress or mental health problems arising from handling distressing claims, did you feel comfortable disclosing this to your employer?



91% of respondents said they suffered from stress or mental health problems from handling distressing claims. Only 44% felt comfortable disclosing this to their employer.



Survey results

‘Why did you not seek support?’

94% of respondents didn't ask their employer for mental health support following their exposure to distressing features from claims handling.

Within the survey, respondents were asked whether there was a reason why support was not sought. This question was provided in a free text format therefore we have highlighted below what we deemed as the most common, and interesting comments to note for the purposes of this project.

- Respondents commented that they simply did not feel that they needed the support. Many did not expand further. However, for those respondents that did, there was reference to the impact being “short term” and reference to being able to self-manage or otherwise able to deal with the effects due to experience in the role.
- Respondents advised that, at the time of dealing with the distressing claim/s, there was not support available and/or they were not aware of it. This draws on the stark difference in mental health awareness from now to around 10 years ago, as those who provided this response, were older in age.
- Many respondents stated that it was “just part of the job”, which we viewed as an indifferent and/or negative response.
- Some respondents shared concern with the culture and the employer's response if support was sought.

It is frowned upon in the line of work.

Perception of weakness associated with asking for support.

It's not something that's discussed or provided. Very much - it's the job!

I'm a man. We don't seek help!

Stigma of asking for help and being female professional.



Survey results

If your employer does provide support, what support is available?

This question was provided in free text format therefore we have highlighted opposite what we deemed as the most common or interesting comments to note for the purposes of this project.

There were zero responses detailing the support in place that is specific to distressing claims and second-hand trauma.

Mental health first aider.

Access to external support including counselling service, helplines and websites.

Line manager and colleague support.

Manager allocation of work to avoid triggers for certain colleagues.

Employee assistance programs.



Survey results

What support would you like to see? What practices/methods would you find supportive?

This question was provided in free text format therefore we have highlighted below what we deemed as the most common or interesting comments to note for the purposes of this project.

Recognition and acknowledgement from employers: Recognising the issues and potential adverse effects from handling a distressing claim.

An open and supportive environment: Providing an open forum to discuss issues with managers and colleagues which can include debriefing sessions and workshops.

Acknowledgement that distressing claims can affect you.



Case study

Introduction

When conducting our research, we were fortunate to come across an individual, R, who is approaching 50 years of service in the insurance industry. He has experience of dealing with fires, explosions, storms, floods, robberies, shootings, killings and more. On hearing R's story, we were surprised to discover the extent to which claims handling had affected his wellbeing and life.

Background

While driving to a multimillion-pound fire loss, R suddenly froze. Feeling giddy and physically sick, he stopped on the hard shoulder, unable to drive. After some minutes, he did get back on the road, but this recurred over the following weeks. Overcome with anxiety, he visited his GP, who failed to help.

For several months, R couldn't drive himself. He was very uncomfortable even as a car passenger. Thinking, "I have got something going wrong in my head", he privately visited a chartered psychologist. This was difficult for him, having grown up and worked in an environment where "men don't go near doctors, and certainly not for mental health."

Impact

After 40 years of handling claims, R was then quickly diagnosed with Post Traumatic Stress Disorder (PTSD). The psychologist explained that his mind had taken on a lot of grief from the insurance claims he had visited, and that he wasn't the first insurance claims handler to sit in her chair. His mind was throwing up a strong self-defence

mechanism that aimed to prevent him driving to scenes of damage and distress. He was warned to stop claims work and that without help, in a few months, he wouldn't even be able to go outside his front door. **"Without treatment, you're going to hide from the world."** R said,

"After that diagnosis, I realised I had spent years hoovering up other people's unpleasant experiences. Some of these people would quite often be really hostile to me. There's a load of verbal unpleasantness coming out, but you just take it, and go on and do the next one [claim] and then hear some more. Eventually, my inner mind suddenly said I had to stop this. No more driving to claims."

The Forever Claim

Three years later, a GP recommended hypnosis which again took courage, but was very successful. The therapist took R back to the worst insurance claim he'd ever dealt with.

R was able to recall every detail. This wasn't a memory; it was a flashback.

A country house had been destroyed by fire and explosion over 30 years earlier. The drive access had been blocked, and the water hydrant smashed, making it nearly impossible to put out the fire. R had to resist insurance coverage. He later found that the policyholder had orchestrated the fire to pay off a blackmailer with the insurance money. When R resisted payment, the policyholder shot dead his blackmailer and the blackmailer's teenage daughter who knew everything.

"Even after all these years, I know I was right about the claim, but you're always left with a feeling.... well, if I had rolled over and paid it, she'd be walking around having grandchildren by now."

After some good mental health treatment, R did get back into his car, but never went back to handling insurance claims.

R gave this interview because he wants a) other claim handlers to be aware of where they may be heading and b) employers to talk to claims staff about the effects on them as individuals and c) get them qualified professional help if they need it, early rather than late.

Thank you to R for sharing your story with us.

Comments from "R"

"I remember vividly seeing a vicar and I was convinced within 10 minutes that he'd set light to his church. He was acting so strangely. I didn't recognise shock then. No one had ever told me what shock looks like."

"If someone has said to me 20 years ago that you're soaking up a load of mental health trouble here, I would have said "Don't talk nonsense. That's not me."

"I've been at claims where the customer has been crying. Inside, I have nearly started crying too, perhaps because no-one ever trained me in why people cry or what to do about it."





Interviews

Emergency Services Call Handler

We have a system in place where if a call is traumatic in nature, we are to take time out of the control room before being spoken to by the Duty Manager to see if we are okay to continue the shift. If necessary, this is followed up by a Trauma Risk Management Referral, this is to see if we need any further counselling or support.

Mental Health First Aid (MHFA) England

Mental health of a person can fluctuate, so if businesses are proactive and consider what their staff need and implement processes this will protect the employee. It is also key that management realise they are key to driving a culture change towards mental health which will ultimately benefit the business.

We also understand that like many businesses, insurers will wish to attract and retain the best talent as well as the new generation. If a business can demonstrate that they look after their staff then they will become more desirable place to work. In addition, the new generation are potential future leaders, so investing in staff and their mental health is also a long-term investment into the businesses' future.

Team Leader

Claims professionals are often dealing with life changing circumstances for customers on a daily and hourly basis and as such it is important to manage the stress and toil that comes with such experiences.

Claims Handler

She had read hundreds of pages of documents, including personal testimony by the victim which included graphic accounts of the abuse. The meeting was particularly hard and many in the room did cry when the victim was recounting the trauma they had suffered.

Despite having handled claims of this nature over a long period, the handler described how they looked to avoid face-to-face meetings with victim survivors unless their attendance was strictly necessary thereafter, due to the distress it caused them.



Recommendations for Insurers

Our findings show a real impact on claims professionals who need support.

Respondents stated that the support they want to see is acknowledgement from management and senior leadership that the handling of distressing claims can be impactful and is not simply 'part of the job.' i.e. they are suffering second-hand trauma.

They would like debrief sessions following the closure of a traumatic claim, counselling services and more open discussion within their teams about these cases (seeking social support).

We recommend Insurers:

- Proactively ensure your organisation is aware of second-hand trauma.
- Encourage employees to talk about their claims with colleagues, managers or counsellors.
- Ensure potential employees understand what the role entails and the support available for distressing claims at recruitment stage. Alongside this, provide appropriate training showing employees how to deal with vulnerable customers. For example, how to deal with a suicidal customer.
- Develop a culture of openness which does not penalise employees who are experiencing second-hand trauma.





Final thoughts - AAA

To ensure your organisation is reducing the impact of second hand trauma on their claims professionals, consider implementing AAA:

Acknowledge

Insurance companies should understand that dealing with tough claims can affect their workers in a big way.

Articulate

Companies should encourage their workers to talk about how they feel when they deal with tough claims.

Approach

Companies should find out who is impacted by second-hand trauma or distressing claims and offer them support.

Ashton West Non-Executive Director Weightmans LLP & Chair of the CII Claims Community Board

“This report, examining the impact of distressing claims on case handlers, is such an important piece of work. Having spent many years working in the insurance profession either handling or being accountable for the management of claims, many of which have involved fatalities, serious injuries or the total loss or destruction of homes or businesses, this is an issue often overlooked and not discussed by our profession. It’s vital for us to further our understanding and create a more informed workplace so that we can offer our colleagues the necessary support when dealing with traumatic cases. By doing so, we will not only strengthen our workforce but should improve customer service and public trust in insurance.”

In conclusion, this study shows that dealing with tough claims can have hidden effects on the well-being of the people who handle them. Our suggestions can help insurance companies support their workers better and make it easier for them to talk about their experiences.



11 Appendix

Survey questionnaire

This questionnaire is aimed at claim professionals, whether working for an insurer, broker, loss adjuster or other organisation, where you are actively involved in claims which provide exposure to second-hand trauma.

The objective was to gain an understanding of the impact of second-hand trauma when dealing with distressing claims, how this may impact a claim's handlers mental health and the support available within the industry and organisations.

1. Considering the definition of second-hand trauma/distressing claims above, have you ever handled or encountered a claim with those features?
2. Which age range do you fall under?
3. In what role(s) were you exposed to distressing claims? *(Please select closest matching role)*
4. If your answer to question 3 is **Other**, please provide your job title within Claims. Otherwise please leave blank.
5. What type of company did you hold the role(s) in?
6. If your answer to question 5 is **Other**, please detail your company type.
7. Number of years working in a role which had exposure to distressing claims.
8. Line of Business *(Tick all that apply)*.
9. If your answer to question 8 is **Other**, please detail your line of business.
10. Company Size?
11. Thinking back to the most distressing claim you handled: which features made the claim particularly distressing? *(Tick all that apply)*.
12. If your answer to Question 11 is **Other**, please describe what features made the claim distressing?
13. Thinking back to your most distressing case, how did it make you feel? *(Tick all that apply)*.
14. If your answer to Question 13 is **Other**, please describe here how you felt.
15. Do you think these feelings are exacerbated when you are working from home?
16. How has dealing with distressing claims impacted you? *(tick all that apply)*.
17. If your answer to Question 16 is **Other**, please describe the impact on you.
18. Have you asked your employer for mental health support following your exposure to distressing features from claims handling?
19. If your answer to Question 18 is **No**, is there any reason why you did not seek support?
20. If you suffered from stress or mental health problems arising from handling distressing claims, did you feel comfortable disclosing to this to your employer?
21. Does your employer provide any support to employees who encounter distressing claims?
22. Has your employer taken steps to identify, prevent or manage instances where second hand trauma could arise?
23. If your answer to Question 21 and 22 is **Yes**, please detail here the support in place.
24. What support would you like to see? What practices/methods would you find supportive?
25. If you have received support from your employer following your exposure to distressing features from claims handling, what was it? *(N/A if not applicable)*.
26. Please provide any further comments you may want to share in respect of your experience of dealing with distressing claims and what support was offered to you by your employer - all feedback is welcome to help us with our research.



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