

CAFII Digital Maturity CPI Underwriter Survey

Start of Block: Introduction

Q19 Thank you for agreeing to take part in the CAFII Digital Maturity Survey, as part of the Digitization of CPI in Canada Report process. The survey below should take less than 30 minutes to complete and contains a combination of multiple choice, ranking and free text questions.

The questions are divided into three sections, the first speaks to the digital maturity of your CPI products and processes, the second to the capabilities required to deliver a leading digital CPI product in future and third, the challenges and risks that come with digitizing CPI products.

Please let us know if you have any problems accessing the survey and we thank you once again for your participation.

Q20 Before we continue, please enter your email address below.

Note that the survey is anonymous and that results will be communicated at an aggregated level only, the request for name and email address on this page only serves at tracking completion by participating institutions'

End of Block: Introduction

Start of Block: Self-Assessment of CPI Digital Maturity

1 How would you define the current digital maturity of your CPI operations? (e.g. accelerated underwriting, straight-through processing etc.)

- ☐ Little to no digital enablement or automation (1)
 - ☐ Few elements are digitally enabled and automated, but most processes are manual (2)
 - ☐ Some digital enablement and automation exist but manual processes remain dominant (3)
 - ☐ Strong digital enablement and automation but manual overrides and exceptions still exist (4)
 - ☐ Our operations are entirely digitally enabled with almost all processes being automated (5)
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2 How would you rate your current digital maturity relative to your peers in the CPI industry?

- ☐ Very behind (1)
 - ☐ Somewhat behind (2)
 - ☐ On par (3)
 - ☐ Somewhat ahead (4)
 - ☐ Industry leader (5)
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3 Which statement best reflects the importance of digitization to the future growth of your CPI portfolio?

- ☐ Critical to the growth of our CPI business (1)
 - ☐ One of our strategic priorities for CPI (2)
 - ☐ Nice to have but not a top priority (3)
 - ☐ Not a priority (4)
 - ☐ N/A- we've already fully digitized our CPI experience & operations (5)
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4 What does 'Digitizing CPI' mean to your organization? Please select all that apply.

- ☐ Offering digital sales & servicing experiences to our lending clients (1)
 - ☐ Offering digital tools to our distributors and their representatives (2)
 - ☐ Digitizing and automating mid- & back-office processes (e.g., UW, Claims, document management) (3)
 - ☐ Greater integration with our distributor partner's systems (4)
 - ☐ Increased use of data insights in our operations (5)
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5 What are the primary friction points / inefficiencies that exist within your CPI operations from an efficiency perspective today? Please select all that apply.

- ☐ Training & education for distributors (1)
 - ☐ Underwriting process & turnaround times (2)
 - ☐ Pricing & product development of new offerings (3)
 - ☐ Data & document exchange to / from distribution partners (4)
 - ☐ Adjudication of claims (5)
 - ☐ Payment of claims (6)
 - ☐ Integration with the systems of CPI distributors (7)
 - ☐ Legacy / outdated technology systems (8)
 - ☐ Customer complaints regarding eligibility or timelines (9)
 - ☐ Regulatory requirements (10)
 - ☐ None of the above (11)
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6 What, in your experience, are the greatest pain points that exist for your distributors in digitizing their current CPI operations? Please select all that apply.

- ☐ Data exchange with the underwriters (1)
 - ☐ Mobile Mortgage Sales Specialist/mortgage broker/branch and contact centre personnel lead generation (2)
 - ☐ Providing customer education material (3)
 - ☐ Identifying client needs and product fit (4)
 - ☐ Manual process for application submission (5)
 - ☐ Completing the underwriting questionnaire (6)
 - ☐ Enrolling / Onboarding CPI clients (7)
 - ☐ Servicing clients digitally throughout journey (8)
 - ☐ Supporting customers in submitting claims (9)
 - ☐ None of the above (10)
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7 What do you feel CPI underwriters should contribute in supporting the digitization of CPI? Please rank in order of priority.

- _____ Accelerated underwriting of application (1)
 - _____ Provide white label self-serve tools (2)
 - _____ Provision of digital claims portal (3)
 - _____ Creation of client self-service portal (4)
 - _____ Automatic adjudication of simple claims (5)
 - _____ Support online intake of claims and underwriting documents (6)
 - _____ Offer new CPI products (7)
 - _____ Modernized technology (e.g., APIs, claims or UW engines) (8)
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8 What have historically been the priority areas for prior investment into your CPI operations? Please rank the below in order of priority.

- _____ Product development and pricing (1)
 - _____ Underwriting automation (2)
 - _____ Automation of manual processes (3)
 - _____ Modernized technology (e.g., APIs, claims or UW engines) (4)
 - _____ Digitizing client enrollment (5)
 - _____ Automation of claims adjudication (6)
 - _____ Document digitization (7)
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9 What are the priority areas for future digital investment into your CPI operations? Please rank the below in order of priority.

- _____ Product development and pricing (1)
- _____ Underwriting automation (2)
- _____ Automation of manual processes (3)
- _____ Modernized technology (e.g., APIs, claims or UW engines) (4)
- _____ Digitizing client enrollment (5)
- _____ Automation of claims adjudication (6)
- _____ Document digitization (7)

End of Block: Self-Assessment of CPI Digital Maturity

Start of Block: Capabilities Required for a Future Digital CPI Journey

Q13 Please select the statement that most accurately describes your organizations relationship to the following capabilities.

	No Current Capability (1)	Emerging Capability (2)	Mature Capability (3)	Not Planning to Invest (4)	N/A or Not currently permitted under regulatory limitations (5)
Our distributors and their representatives can access education and product/coverage training materials online (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We can provide automated underwriting and eligibility at point of sale for majority of applications (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We have APIs that enable seamless distributor integration and exchange of client and policy data (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We can underwrite clients from risk selection through to pricing on a per client basis considering different risk factors digitally without human intervention (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

We can assess, quantify, and pay valid claims automatically without a subsequent referral to a human being using an algorithm or digital decision engine (5)



We can assess & escalate claims of increased complexity or scale through appropriate internal channels automatically and are able to track the workflow on those claims (6)



Our customers are able to upload their claim documentation on a digital platform (7)



We can send our customers nudges to increase or decrease coverage based on activities on their loan accounts. (8)



We can leverage existing and third-party data to confirm eligibility and UW at point of sale (9)



Our distributors and their representatives can access a real time data dashboard that reflects the performance of their CPI products (10)



Our distributors have access to chat virtually with a CPI underwriter, either through video-call or chat messaging, should they need assistance with a claim or application (11)



Our customers' premium payments are automatically adjusted as they make principal payments to amortize their loans (12)



We can automatically identify instances of non-compliance or



unusual
patterns from
distributors
using an
automated, AI
enable system
(13)

End of Block: Capabilities Required for a Future Digital CPI Journey

Start of Block: Challenges & Opportunities in Digitizing CPI Products

10 What do you believe is your biggest challenge in digitizing CPI? Please rank in order of priority.

- _____ Compliance & regulatory limitations (1)
 - _____ Showing return on investment (2)
 - _____ Multiple stakeholders owning aspects of the CPI process/operations (i.e., CPI underwriters vs. distributors) (3)
 - _____ Strong linkage & ties to the evolving processes & channels (4)
 - _____ Other competing priorities (5)
 - _____ Staff capabilities or capacity (6)
 - _____ Cyber security and ensuring customer data privacy (7)
 - _____ Funding (8)
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11 In your perspective, which of the following key success factors are required for the digitization of CPI to be successful? Please select all that apply.

- ☐ CPI underwriters and distributor collaboration in designing digital processes / integrations (1)
 - ☐ Greater clarity on regulatory and compliance requirements in a digital environment (2)
 - ☐ Changes to the current regulatory limitations of CPI (3)
 - ☐ Mechanism to connect digital investment to improved sales penetration (4)
 - ☐ Buy-in from executive leadership on benefits of CPI digitization program (5)
 - ☐ Strong alignment to digital lending processes from banks and credit unions (6)
 - ☐ New products & features (7)
 - ☐ Integrating multiple channels for a single customer journey (i.e. purchase through a call, claim made online etc.) (8)
 - ☐ Consumer transparency, awareness, and education on the value of CPI (9)
 - ☐ None of the above (10)
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12 What do you see as the greatest risk to your CPI product penetration rates and continued CPI sales growth? Please rank these in order for greatest to lowest risk.

- _____ Lack of alignment with the digitization of lending and mortgage products (1)
 - _____ Lack of current, customer centric CPI products (2)
 - _____ New compliance and regulatory interventions on CPI sales processes (3)
 - _____ Entrance of new/alternative lending providers (4)
 - _____ Lack of consumer demand for CPI products (5)
 - _____ Margin compression on CPI products (6)
 - _____ Changing customer preference to digital channels (7)
 - _____ None of the above (8)
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13 What metrics would you track to determine the success of an initiative to digitize CPI products? Please rank the below metrics in order of importance.

- _____ Increase in sales penetration rate (1)
 - _____ Reduction in number of customer complaints (2)
 - _____ Decrease in claims denied (3)
 - _____ Improved fulfillment rates (4)
 - _____ Improved expense ratio of operations (5)
 - _____ Increase in customer engagement (6)
 - _____ Improved advisor productivity (7)
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14 What percentage of your new CPI insurance applications do you expect to be originated and completed fully online by 2025?

- ☐ 0-10% (1)
 - ☐ 10 – 25% (2)
 - ☐ 25 – 50% (3)
 - ☐ 50 – 75% (4)
 - ☐ 75 – 100% (5)
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Q18 What do you believe are the primary risks with moving to digital sales of CPI?

Q15 Please provide any additional feedback on your current challenges, priorities, or opportunities you would like to share related to the 'Digitization of CPI'.

End of Block: Challenges & Opportunities in Digitizing CPI Products
