

**Agenda Item 4(e)(ii)**  
**July 18/23 EOC Meeting**

**From:** Keith Martin <Keith.Martin@cafii.com>

**Sent:** Monday, July 10, 2023 3:26 PM

**To:** Research & Education Committee Members

**Cc:** Jake Becker <jake.becker@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>

**Subject:** Update to R&E Committee

Hello members of the CAFII Research & Education Committee,

At the last meeting of the Committee, we discussed possible 2023 research initiatives, and there was interest in exploring a possible commissioned research project with LIMRA/LOMA on whether certain lower income bands are more likely to rely on CPI for protection.

I have shared a draft of this proposal with Andrea Stuska (Committee Chair) and Michelle Costello (Committee Vice Chair), and am writing to you on their behalf.

On Wednesday, 5 July, Brendan and I met with Brent Lemanski of LIMRA / LOMA about a possible research collaboration. Brent is the Canadian representative for LIMRA/LOMA. By way of follow-up, I am sending him the attached proposal and asking for a formal proposal back from LIMRA/LOMA.

When that proposal is ready to be reviewed, we will set up a meeting of the R&E Committee to review it, possibly in early September. In the meantime, we will cancel the meeting of the Committee slated for this Friday, 14 July.

Any questions or comments, please let me know. Thank you

**Keith Martin**

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**Summary of Research Request from CAFII to LIMRA/LOMA**

Hypothesis: Canadians are uninsured/underinsured, with the percentage that are uninsured/underinsured increasing in lower income bands.

Hypothesis: A higher percentage of Canadians in lower income bands have credit protection insurance.

Conclusion: Credit Protection Insurance plays a disproportionately important role in the marketplace for lower income bands, and without it they would be at higher risk.

### Recommended approach:

- Identify Canadians with a mortgage, HELOC, or loan.
- Of those, segment them into income bands.
- For each band, identify the percentage with each of the following insurance products.

Mortgage life insurance	Mortgage disability insurance	Mortgage critical illness insurance	Employer benefits life insurance	Term life insurance	Whole life insurance	Other life insurance	No life insurance
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### Project Outputs, Timelines and Budget:

- Aim to complete study by late fall 2023.
- Outputs would include research results, powerpoint presentation summarizing results, and access to 4 hours of time of lead researcher to present findings including to CAFII management and Research & Education Committee, to the CAFII Board, and to regulators and policy-makers in a recorded webinar.
- Process should include engagement of CAFII management and the Research & Education Committee, and CAFII and its volunteers in turn are committed to assisting LIMRA/LOMA in its progress and to answer any questions or clarifications it may have.
- All outputs are co-branded LIMRA/LOMA and CAFII and CAFII has the right to use the research publicly, issue a press release about it, and post findings on our website. However, the research results are to be confidential until such time as CAFII decides to release the study.
- Project budget: Maximum of \$60,000 CAN (before HST).

### Demographics

- Need to capture province, age, gender, postal code.
- Interested in learning family status of people with insurance:
  - Single; married; children.
- Are there any sick, old, or other people you care for in the household?
- Do you know what you would do if you did not have insurance coverage and something happened to you? Do you have emergency funds?