Improving Complaint Handling Experience at FSCO

Financial Services Commission of Ontario

Anatol Monid, Director

Kathleen Hamilton, Senior Manager (A)

Market Regulation Branch

FSCO Strategic Priorities and Performance Measures

- **Statement of Priorities reflects government and FSCO priorities**

- **Strategic Priority**
  - continuous service improvement

- **Strategies**
  1. review and recommend changes to better mitigate risk
  2. increased efficiency, effectiveness and transparency
  3. communicate, share knowledge and engage our staff and stakeholders

- **FSCO Performance Measures Framework**
  - provide greater transparency, accountability and value for money
  - measure what we do and focus on results that matter
  - define success and deliver on our outcomes

Complaint Closing Measures

Current measures:

- **90% closed within 150 days**
- **98% closed within 365 days**

Current closing rates:

- **YTD closing rate for fiscal 2011/12 is 82% within 150 days and 98% within 365 days (final figures available April 1, 2013).**
- **YTD closing rate for fiscal 2012/13 is 85% closed within 150 days (as we have not reached 365 days in the period the second measure is not available until April 1, 2014).**

Proposed measures for consumer originated complaints:

- **80% closed within 75 days**

All other complaints:

- **90% closed within 150 days**
- **99% closed within 365 days**

Complaint Handling Experience

Since 2007 complaint volumes have increased on an annual average rate of 16% with a cumulative increase of 102% over all sectors.

FSCO has a continuous process improvement focus:

- Self assessment against ISO Standard for complaint handling - reasonably well aligned
- Self assessment against the IAIS Insurance Core Principles – good observance identified, improvements required

IT is building a new customer relationship management system to improve the customer on-line experience when dealing with FSCO

Role of the Company

- **FSCO supports an industry first response**

- **Companies are required to:**
  - Have a complaint handling protocol
  - Have a consumer complaint officer to liaise with FSCO and handle complaints
  - Issue a final position letter if complaint remains unresolved
  - Include information on the Ombuds Services

FSCO's Role

Consumer Protection

- **Complaint is received and acknowledged within 5 business days**
- **If the final position letter is not part of the complaint, FSCO assists the complainant in obtaining it**
- **FSCO requires the insurer to respond within 30 business days**
- **Compliance Officer (CO) gathers information from the complainant, the insurer and the intermediary to assess compliance with the law**
- **Upon finalizing their review:**
  - CO sends a closing letter to complainant or
  - advises file has been referred for further investigation and is assigned to a senior FSCO program manager

Improving the Complaint Handling Experience

- FSCO can no longer afford to give margin on responses
- FSCO expects a priority to be placed on complaints it has received
- Responses must be complete and thoroughly respond to FSCO's questions
- Failures to respond will be dealt with by regulatory action
- The Industry First Response needs to work better
- There will be time to adjust but the targets must be met in the next fiscal year