

NMU on responding ethically to the coronavirus crisis

by [Mia Wallace](#) 23 Mar 2020



In light of the FCA recently outlining its expectations for insurance companies in light of the global coronavirus (Covid-19) outbreak, the question over how insurers can and should react to this crisis is a pressing consideration. As NMU's chief underwriting officer, Paul Hiscoe (pictured) is responsible for all the company's lines of business and he recently spoke with *Insurance Business* about the fundamental tenet of insurance - a promise made to pay policyholders under an established set of circumstances.

Discussing the moral and social responsibility held by insurers to policyholders, Hiscoe outlined his belief that this crisis is a big opportunity for the insurance industry to help. It is important that insurers pay recoverable claims promptly to help with cash flow in the current economic climate, he said. He outlined how acting quickly could make a real difference both by helping businesses to keep afloat in the short-term and to be more secure in the long-term through ensuring continued employment for their workers. Wherever possible NMU will offer a payment on account to assist with cashflow, he said.

“NMU fully endorses the principles of TCF (treat customers fairly), and will always act fairly, honestly and professionally in accordance with the best interests of customers,” he said. “We have made positive steps to ensure continuity of cover for our policyholders by allowing an automatic 30 day extension of cover if policyholders are unable to contact their broker due to COVID-19 even before the FCA issued guidance to GI insurers.”

This safeguards both the policyholder’s and the broker’s position in terms of any policy held by NMU, he said, which is particularly important now as the industry as a whole is always busy on the quarter end dates, with a higher than normal volume of policies being renewed. This initiative will help to remove barriers to coverage, he said, and will continue to protect policyholder assets and liabilities.

The response of brokers to this initiative has been very positive, he said, and highlighting the feedback the business has received from several brokers who are delighted that business has led the way and are hoping that other insurers will follow suit.

“The measure of a preferred insurer partner is how they perform in times of crisis and NMU have displayed exemplary assistance not only with how they have helped our policyholders with this initiative but also other measures they have taken. At a time when businesses are so worried about their future the action that NMU has taken is superb and we thank them for their continued support.”

The above quote is a publicly available comment from a broker remarking on the efforts undertaken by NMU and now Hiscoe hopes that the coronavirus will prompt even stronger relationships. NMU has always been an accessible company, he said, and rarely will a broker hear an answerphone message when they ring.

“[We] empower underwriters to make decisions and we encourage staff to use all forms of communication when interacting with our brokers,” he said. “We always welcome the opportunity to speak to our clients (brokers) on the phone, as contact in this way builds the relationship between insurer and broker, but we are equally set up to communicate using conference calls and transact business via email or e-trade platforms, which we can still do remotely.”

NMU’s commitment to acting ethically during this crisis has extended to its employees and the business has allowed its staff to work from home as this will help to contain the spread of the virus, Hiscoe said, but will also enable NMU to continue to provide exemplary service levels to the maximum extent possible.

“So far, other than the occasional individual IT glitch, it’s been very much business as usual, with broker engagement continuing as normal, either via email or telephone, with all direct dial numbers having been forwarded to mobiles,” he said. “NMU’s management team will continue to create and adapt strategies so that we are able to manage COVID-19 as best we can in the interests of staff, policyholders and brokers.”