

MicroFund for Women - Pilot test protocol for Caregiver product

1. Key features of test:

Start	11 April 2010
Expected duration	Six months from second branch launch (30 September 2010)
Branch locations / starting date	Ruseifeh/ April 2010 Irbid/ May 2010
Expected number of insured & claims	Expected insured at 31 October 2010: 3879 Expected claims to date at 31 October 2010: 252
Regular meetings of pilot test team will be held:	<ul style="list-style-type: none"> - In the first 2 months meet weekly , with a formal meeting once a month - In the first week of Month 3 onwards, team will assess results of objective progress from the prior month, and discuss potential actions / adjustments if necessary. - Meeting with Al Manara monthly to formally review progress and discuss any issues - Each monthly meeting (MFW internal, and with ALM) will be minuted with action items (action, responsible party, timeline) clearly noted. Reporting to be stored and compiled and shared with other parties (eg WWB, ILO) as required
Presentations to GM and /or Board will be held	Meet GM monthly, board update at each quarterly board meeting
Pilot test concludes when	Pause / exit indicator is tripped
	Pilot test objectives are at least 80% satisfied and Insurer and MFW agree to success
Concluding activities	Develop recommendation letter to management and board reflecting achievement of objectives and recommendations (stop, continue pilot, rollout, other)
	Compile documentation from pilot to provide to operations department
	Revise training, marketing, systems, and documentation as appropriate
	Develop plan for rollout.

2. Pilot test team:

Members represent each key aspect of product implementation. Leader is a product champion, a decision maker who can report to senior management, and will focus on this Pilot Test process. Members will:

- provide assistance when appropriate
- attend regular meetings once each week / monthly
- report information on the product back to their areas
- Be available to address issues during pilot launches.

Members include:

Pilot Lead	Fatima (Deputy GM)
Project Manager	Eamon Kelly (ILO fellow)
Accounting	Lama (CFO), Mohamud
Operations & MIS	Ahmad Ahmoud (Senior Admin Manager)
Network Manager	BeriHal
Marketing & Training	Nina Robertson (Manager Marketing & Non FS)
Microinsurance Officer	Sanaa Abdeddin

3. Periodic reporting:

Report	Details	Responsible	Frequency
Initial client comments	Feedback on does the client agree to this? Does it make sense? Does it seem helpful to them? Any confusion with the brochure?	Branch Manager of Pilot branches	Weekly in first 2 months
Performance indicators	Claims ratio Admin cost ratio Claims frequency & duration Hospital stay length Rejection ratio	MI Officer & Project Mgr	Monthly
Detailed claims analysis	Detailed analysis	Project Mgr	Monthly for first quarter, then quarterly thereafter
Actual objectives results	Results for the objectives in Section 4	Project Mgr	Monthly
Process activity quality tracking	Assessing accuracy and timeliness of documents (applications, claim forms) submitted by Branch to MFW, MFW to ALM	Ahmad & Project Mgr	Monthly
Marketing effectiveness report	Feedback from LO on marketing tools. Customer knowledge survey with clients (timing TBC)	Nina	Monthly for first quarter, then quarterly thereafter
Training assessment report (new and continuing training)	Observations & test (TBC) on LO understanding of Ri'aya and tools. Notes on training conducted in the preceding month.	Nina/Ali	Monthly for first quarter, then quarterly thereafter
Lessons capture report	Collation of lessons relating to preceding reports; 1. Creation of the rpts 2. Key observations 3. Actions taken	Pilot Lead & Project Mgr	Quarterly

4. Pilot end of test objectives

Item	Objective	Objective target End of Test	Type of Objective (Target area)	Explanation
1	Minimal loss of borrowers directly due to policy	<2.5%	Product	Control over loss of clients due to policy. Needs to be measured through the existing exit interview structures
2	Claims rejection	<5%	Product	Total sum of rejections by MFW and Al Manara
3	Claim duration (event to settlement)	<15 days	Process	Up to 10 days from event to claim, up to 5 days from claim to settlement. Tracked through claim monitoring tool
4	Claims ratio	50 – 65%	Product	Total claims costs not unduly low or high (pricing expects 60%)
5	Systems efficiency	Fully automated for premiums and information	Process	Premium and client info are conveyed to the insurer electronically by the third month
6	Effective marketing	Marketing tool implemented	People	Tool to assess marketing effectiveness developed, tested, and implemented by the end of the pilot test.
7	Effective training	Training assessment tool implemented	People	Tool to assess training effectiveness developed, tested, and implemented by the end of the pilot test. This should result in a final version of the training program to be used for rollout.
8	Expenses controlled within fee earned	>100% of direct costs covered	Finance	Total direct costs by month are less than the amount paid to MFW as fees.

5. Pause / Exit if:

1. Loan client non renewal	If after the second month, greater than 10% of potential loan renewals in a month choose not to renew directly because of the insurance premium / product
2. Claims rejection	If any clearly legitimate claims are rejected and total rejection ratio is >10%
3. Claims duration	If the average duration to pay a claim exceeds 25 days in any 2 consecutive months
4. Claims costs	If cumulative claims costs are 50% above expected (after the second month). This will pose a serious risk to the project