

**REPUBLIC OF GHANA**



**MINISTRY OF FINANCE**

**TERMS OF REFERENCE**

**(CONSULTING SERVICES – INDIVIDUAL CONSULTING SELECTION)**

Name of Project	<b>Ghana Financial Sector Development Project</b>
Loan No./Credit No./Grant No	<b>6310 GH</b>
<b>Project Number:</b>	<b>P161787</b>
Assignment Title	<b>Consultancy Services to Develop Requirements and Specifications for the Development of a Complaints Management System for the National Insurance Commission and its Regulated Entities</b>
Reference No	<b>GH-MOF-FSD-CS-73-INDV</b>

**1. Background**

The Insurance Act, 2006 (Act 724) mandates the National Insurance Commission ("Commission") to effectively administer, supervise, regulate, monitor, and control the business of insurance in order to protect insurance policyholders and the insurance industry. As part of its functions, Section 2 (e & f) of Act 724 requires the Commission to provide a bureau to which complaints may be submitted by members of the public for resolution and also to arbitrate insurance claims referred to the Commission by any party to an insurance contract.

In line with its mandate, the Commission intends to employ a Consultant to advise the Commission to develop the systems specifications and requirements and a Terms of Reference (TOR) for a firm to build a **Claims and Complaints Management System** for implementation by the NIC and its regulated entities. The system is expected to facilitate and to assist with the enforcement of the Claims Management Guidelines and the smooth management of complaints received from financial

consumers by Insurance regulated entities and the Commission. The system is also expected to generate valuable claims and complaints data to support NIC's supervisory activities.

The Claims Management system is intended to enable the NIC monitor adherence to the Claims Management Guidelines issued to the regulated entities to ensure the smooth management and payment of claim applications received by Insurance regulated entities. The NIC has issued out Claims Management Guidelines to its regulated entities. The **aim** of the guidelines is to enhance the efficiency and transparency of the claims management and payment procedures of insurance companies. The guidelines are also meant to improve the disclosure of relevant and adequate information to policyholders during **claims processing** and increase consumer satisfaction. The guidelines basically set out timelines within which insurance companies are required to acknowledge receipt of claim applications, investigate and admit liability, negotiate and settle such claims and subsequently pay the claims. The system will help the Commission monitor adherence to the Claims Management Guidelines to ensure the smooth management and processing of claims received by our regulated entities.

## **2. Objective**

The primary objective of this assignment is to: (i) review internal processes and procedures currently in place and undertaken by NIC - end-to-end complaints handling and claims management monitoring workflows -; (ii) provide NIC with a diagnostic of their current processes (i.e. identification of current workflows, potential gaps and inefficiencies in the processes, as well as recommendations for improvements); and (iii) develop the specifications and its requirement needs, Terms of Reference and Request for Proposals for the design and deployment of a Claims and Complaints Management System (CMS) for the Commission and its regulated entities.

The complaints handling technology solution should allow, at least: (i) interaction with financial consumers; (ii) collection of general information / data from financial consumers and key information on the complaint; (iii) application of basic rules to check eligibility and categorization of complaints, including with the possibility of implementing a chatbot and machine learning to train the chatbot for this purpose; (iv) upload of documents to support / evidence the complaint; (v) interaction with insurance firms to forward complaints and receive their responses, via electronic portal; (vi) complaints and claims

data collection from insurance firms; (vii) categorization of complaints data to enable analyses for supervisory purposes; (viii) generation of reports and outputs on complaints data for analyses, and (ix) visualization via dashboard, with a complaint management interface, enabling interaction with consumers and with providers to analyze cases, follow deadlines, responses, etc.

### **3. Scope of work**

The consultant will be responsible for the following:

- i. Mapping the current complaints handling / claim management monitoring workflows used by NIC. The mapping exercise should entail a comprehensive set of procedures, guidelines, protocols, and other documentation that supports the process;
- ii. Identifying main gaps and inefficiencies in the process and recommend how current workflows can be improved, including by implementing / using a technology solution (system) to support the NIC's monitoring of claims management undertaken by insurance companies, reduce inefficiencies /difficulties for consumers to resolve a complaint and ultimately allow them to assert their rights to have their complaints addressed and resolved in a transparent way, within a reasonable timeframe;
- iii. Understanding NIC's claims and complaints data needs to provide recommendations on how the system can support claims and complaints data collection from consumers and providers, and categorize them in a way that help the NIC use the data to prioritize its supervisory and policy-making activities;
- iv. Understanding NIC's needs to collect claims and complaints data from insurance companies on a regular basis (i.e. complaints data received from insurance companies within their internal dispute resolution mechanism to be reported to regulators according to established format and means), and how the new technology solution could potentially support claims and complaints data collection from insurance companies;
- v. Identifying capacity needs and deficiencies faced by the NIC and insurance companies for using a technology application for complaints handling and claim management monitoring, as well as providing recommendations on how to address main deficiencies / constraints that would enable the use of systems by both parties;
- vi. Reviewing, assessing and specifying the functional business requirements through in depth study of available documents and data, concerning the NIC Laws and regulations on complaints, processes, and information technology strategy document;
- vii. Conducting direct interviews with NIC staff, Insurance Operators, and other stakeholders in

- order to assess their requirements with respect to claims and complaints;
- viii. Identifying capacity building needs and deficiencies faced by NIC and Insurance Companies to integrate systems and provide detailed recommendations on how to address main deficiencies/constraints that would enable the use of systems by both parties;
  - ix. Recommending the best technology solutions to support the NIC's claims and complaint management function;
  - x. Developing a detailed software specification requirement for the development/acquisition of the proposed CMS.
  - xi. Defining a detailed technical infrastructure requirement covering networks, hardware, hosting environment and enterprise systems management capabilities to support the proposed system;
  - xii. Ensuring that the proposed solution is aligned with the NIC's IT strategy and interoperable with existing and future systems;
  - xiii. Ensuring that the solution will provide support to NIC's supervision functions;
  - xiv. Ensuring the proposed CMS business solution is inter-interoperable with other complaint management solution of sister regulators in Ghana (BoG, SEC, NPRA);
  - xv. Providing procurement support by preparing a detailed functional and non-functional requirements documentation for the development/acquisition of a complaint management system;
  - xvi. Preparing budget estimates for the development/acquisition of the system and any associated infrastructure upgrades.

The Consultant will work in close cooperation with the NIC in order to get a better understanding of: (i) the context of the assignment, (ii) NIC's complaints handling and claim management monitoring workflows, as well as gaps, inefficiencies and needs for improvements, (iii) legal and regulatory framework in place, and (iv) the expected outputs/ deliverables. Desk reviews, interviews with relevant stakeholders (including financial service providers and potentially consumer associations) will also be employed, among other research methods. The Consultant should also interact with other financial sector regulators in Ghana (i.e. BoG, SEC and NPRA) to ensure proper communication and cooperation with regard to implementing complaints management systems.

#### **4. Duration, Deliverables, Timeline, and Payment schedule**

The assignment will be completed in five (5) months.

### Deliverables, Timeline, and payment

<b>Deliverables</b>	<b>No of Copies<sup>1</sup></b>	<b>Period after commencement</b>	<b>Payment (%)</b>
An inception report detailing the Consultant's understanding of the assignment, including methodology to be applied, likely outcomes / outputs and preliminary findings and work plan.	1	One (1) month after commencement of assignment	10% after acceptance of report
Report on all assessments carried out including needs assessments and technical reports of existing systems and procedures.	1	Two (2) months after commencement of assignment	
Submit a draft system design manuals /guideline, Software Specifications Requirements including Functional business requirements, Technical specifications and Request for Proposals/TOR for engagement of the developer of the CMS.	1	Four (4) months after commencement of assignment	40% after acceptance of Technical Specifications /ToR
Final Reports incorporating comments from key stakeholders and workshop for key stakeholders	1	Two weeks after submission of draft reports	20% after acceptance of final report.
Provide Technical Support during procurement Evaluation - in review of Request for Bids (RfB) for supply of CMS -	1	Period allocated is one week for RfB review	15% after evaluation -
Supervision of installation and Technical training of identified users of the CMS.	1	One Week for installation and quality review	15% after training

<sup>1</sup> Consultant is to provide one hard copy of reports for reference purpose and to email or deliver a soft copy to the Financial Stability and Information Technology Departments with a copy to the Project Coordinator for distribution as necessary

## **5. Required qualifications and experience of consultant**

- At least a Degree in ICT or in a relevant field;
- Good knowledge of all concepts and principles of claims and complaints management system;
- Minimum of five (5) years in the provision of consulting services in the insurance sector and regulatory experience in similar country context, and practical experience in internal or external dispute resolution in the insurance sector;
- Experience in managing and implementing Management Information System solutions, project management and data analysis, for an insurance regulator or firm;
- Proved previous experience in the design and deployment of a complaint management system or similar applications, preferably in the insurance sector;
- Good knowledge of all concepts and principles of claims management monitoring workflows;
- Understanding of issues relating to technology used to enhance efficiency and effectiveness of supervisory activities and regulatory compliance (suptech/regtech);
- Demonstrated experience and expertise in the insurance sector;
- Extensive knowledge and expertise of relevant international standards and good practices in internal and external dispute resolution for the financial sector;
- Fluency and excellent communication in English, spoken and written.

## **6. Facilities to be provided by the client**

The Client will provide an office space and ensure that the Consultant has access to the necessary information as may be legally allowed for the performance of the assignment.