

Life insurance claims

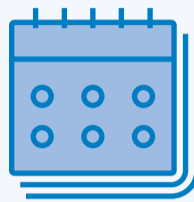
ASIC's work so far

ASIC has conducted the first stage of an industry-wide review of claims handling. It covers **three distribution channels**: group cover through superannuation, individual cover sold by advisors and individual cover sold directly to consumers without advice.

The scope



Our review focused on **15 life insurers**, representing over **90% of the market** by premiums collected.



Our review focused on a time period of **3 years**, from 1 January 2013 to 31 December 2015.

We reviewed four main types of life insurance products:

Life

Trauma

Income Protection

Total & Permanent Disability (TPD)

The detail

We completed our review in **six months**.



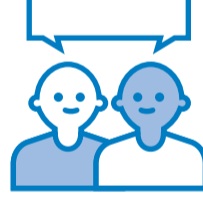
We conducted detailed reviews of **5,438 life insurance disputes** collected from six different sources, including ASIC.



We collected and conducted a detailed review of **approximately 17,000+ lines of data and 192,000+ data points**.



We **conducted a targeted review of Product Disclosure Statements and policy documents**, including policy definitions across all life insurers.



We attended **50+ meetings** with life insurers, industry experts, consumer advocates and other key stakeholders.

Areas of further work



life insurers have initiated **15+ independent reviews** of claims handling. The results from these reviews will help inform our further work.

Actions to raise standards

1. **Public reporting** of life insurance claims.
2. **Strengthen the regulatory framework** for claims handling.
3. **Strengthen the dispute resolution framework** for claims handling.
4. Follow up **ASIC surveillances** and reviews.
5. **Strengthen industry standards** and practices.



ASIC
Australian Securities & Investments Commission