EXECUTIVE SUMMARY TO REPORT 587

# The sale of direct life insurance

August 2018

## About this summary

This is the executive summary to Report 587 *The sale of direct life insurance* (REP 587).

The report summarises the findings and recommendations from ASIC's review of the sale of direct life insurance products in Australia, including term life, accidental death, trauma, total and permanent disability (TPD) and income protection insurance.

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# Executive summary

1 Life insurance plays a crucial role in helping consumers manage unexpected events and protect themselves and their families against financial difficulties. Buying life insurance directly—that is, without getting personal advice from a financial adviser or buying through a group arrangement like superannuation—can be a convenient way to buy life insurance.

2 Direct life insurance is sold to consumers by insurers or their sales partners, by outbound telemarketing, inbound phone calls from consumers, online or face to face (e.g. through bank branches). These products are sold with general advice (meaning a consumer's individual circumstances are not considered), or with no advice (meaning only factual information is given).

3 In 2016, ASIC's review of life insurance claims handling showed higher declined claims for life insurance bought through the direct sales channel than for retail and group insurance: see Report 498 *Life insurance claims: An industry review* (REP 498).

4 Following the release of REP 498, we wanted to review how life insurance products in the direct channel are designed and sold, and whether this might increase the likelihood of policies lapsing or consumers later having their claims declined.

## Scope of ASIC's review

5 During 2017–18, we conducted a multi-stage review of the sale of direct life insurance, including term life, accidental death, trauma, total and permanent disability (TPD) and income protection insurance.

Note: We did not review consumer credit insurance or funeral insurance due to other completed or ongoing ASIC work on those products (see paragraph 89 of the report).

6 Two types of firms were included in our review, comprising a total of 11 firms, including:

(a) six insurers selling directly to consumers; and

(b) three distributors selling on behalf of two insurers.

Note: Our call review findings refer to eight firms, comprising three distributors and five insurers selling directly (one insurer selling directly exited the direct life insurance market during the early stages of our review). Our sales, claims and lapse data was collected at an insurer level, and these findings refer to the eight insurers in our review. See Appendix 1 for the names of the firms included in our review.

7 Table 1 summarises the different elements of our review. For further details of our methodology, see Appendix 1 of the report.

**Table 1: What we did in our review**

| Element | Description |
|---|---|
| **Review of sales** | We completed two sales call reviews with a focus on whether sales practices may contribute to poor consumer outcomes.<br>• In our first call review, we listened to 151 sales calls from 2010–16 where the policy had later lapsed or there had been a declined claim, to assess whether the sales call may have contributed to this outcome.<br>• In our second call review, we listened to 393 sales calls from July and August 2017, after the new Life Code of Practice (the Code) had come into force, to assess more recent practice.<br>We also engaged Strategic Insight, a research firm, to conduct a review of firms' online sales processes. |
| **Data analysis** | We obtained data from firms relating to:<br>• trends for in-force policies and new sales;<br>• claim numbers and outcomes; and<br>• lapse rates including cooling-off cancellations. |
| **Review of products, policies and procedures** | For each of the firms, we reviewed:<br>• the features and limitations of their direct life insurance products;<br>• scripts and training materials;<br>• quality assurance processes and actual assessments conducted; and<br>• targets, incentives and performance management frameworks. |
| **Culture review** | We reviewed the sales culture of a subset of the firms in our review to help us understand what we were seeing and why. |
| **Consumer research** | We engaged Susan Bell Research to conduct quantitative and qualitative research with consumers who had recently bought direct life insurance.<br>Note: See Report 588 *Consumers' experiences with the sale of direct life insurance* (REP 588). |

## Summary of findings

8 Our review identified several areas of concern in the sale of direct life insurance.

## Consumer outcomes and sales conduct

**Finding 1: Outcomes for consumers who buy direct life insurance are often poor**

9 A well-functioning direct life insurance market should see consumers buying life insurance products that are right for them, are affordable in the long term, and that they can rely on when they need to claim. Consumer outcomes in our review indicate that the needs of a significant number of consumers in this market are not being met.

10 Life insurance is a product designed to be held longer term, yet we saw a high rate of consumers cancelling their cover during the cooling-off period (i.e. cancelling without cost within a set period of time after purchase of at least two weeks) or letting policies lapse.

11 From 2012–17, cooling-off cancellations and short-term lapse rates for direct life insurance were very high:

(a) one in five of all policies taken out were cancelled in the cooling-off period, which may indicate that consumers immediately realised they had made a bad decision or had been pressured into buying a policy they did not need;

(b) a quarter of all policies that remained in force beyond the cooling-off period lapsed within 12 months; and

(c) almost half of all policies held beyond the cooling-off period lapsed within three years.

12 Claim outcomes for direct life insurance were also poor, relative to life insurance sold through other channels. Data on life insurance claims for the period 1 January 2017 to 30 June 2017 published by the Australian Prudential Regulation Authority (APRA) and ASIC found that 93% of finalised claims across all channels (advised, group and direct) were admitted, while for the direct channel this was only 84%.

Note: See APRA, *Response to submissions: Life insurance—Public reporting of claims information—Update on progress* (24 May 2018), pp. 13, 38. Admitted claims exclude funeral insurance and consumer credit insurance as these products were not included in our review and are generally not sold through advised or group channels.

13 Data collected from the firms in our review for 2014–17 showed an even lower rate of admitted claims, with 79% of finalised claims admitted during this period.

14 Because withdrawn claims can indicate that a policy does not cover what a consumer expected, we analysed the data to show the impact of withdrawn claims. We found that 27% of reported claims were withdrawn, 15% were declined, and 58% admitted.

15 High lapses and unsuccessful claims indicate that consumers are frequently not able to make informed decisions when buying life insurance direct and are at high risk of buying cover that they do not want or that is not right for them.

16 Our consumer research supports the concern that buying life insurance direct can be a difficult experience for consumers and that consumers often have limited understanding. Most respondents knew little or nothing about life insurance before they bought the product, and two thirds had not undertaken any research to inform their decision.

17 While four in five respondents felt very or fairly confident that they had bought the right policy, 66% did not have a clear understanding of what exclusions applied to their policy, and 37% believed that the cost of their cover would stay the same each year.

18 Some respondents found the process overwhelming and were unclear about what policy they had bought, but not all consumers had a difficult experience. Some researched extensively and used both the online and phone sales channel to buy the cover they felt was right for them.

### Finding 2: There is a clear link between sales conduct and poor consumer outcomes

19 Inappropriate sales practices were linked to short-term lapses and declined claims. We reviewed 151 sales calls from 2010–16 that had resulted in a poor consumer outcome and observed sales conduct that appeared to contribute to the outcome in:

(a) 35% of the sales calls where a claim was later declined; and

(b) 63% of the calls where a policy later lapsed (within three years).

20 The conduct that contributed to these outcomes included pressure selling, inadequate explanations of future cost and product exclusions, promotional gifts, and tactics to reduce informed decision-making.

### Finding 3: Firms engaged in sales conduct that is likely to lead to consumers buying a product they do not want or cannot afford, or that does not meet their needs

21 We listened to a further 393 sales calls from July and August 2017, after the Life Insurance Code of Practice (Code) issued by the Financial Services Council (FSC) had come into force. This review was undertaken to identify both improvements in conduct, and ongoing practices that increase the risk of poor consumer outcomes.

22 For many firms, conduct had improved, and the introduction of the Code by the FSC appears to have played a role in improving sales standards, particularly where it sets clear and specific expectations. However, we identified ongoing practices that create the risk of poor consumer outcomes.

23 All the firms in our review failed to provide adequate information about important aspects of the cover they sold. For example:

(a) four firms provided inadequate explanations of exclusions for pre-existing medical conditions (see paragraphs 340–347 of the report), which can lead to consumers buying cover that does not meet their needs and later having claims declined; and

(b) none of the firms consistently provided clear explanations of the likely future cost of their policy, creating the risk that policies lapse because consumers cannot afford rising future premiums.

24 We also saw pressure selling techniques used by four of the firms in our review, including using deferred payments or the cooling-off period to push a sale, refusing to send out paperwork unless a consumer committed to buy, and inappropriate or excessive objection handling. This will result in consumers feeling pressured to buy a policy that they do not want or cannot afford.

25 Six of the eight firms in our review engaged in ‘downgrading’ to close a sale—that is, offering a more limited life insurance policy when a consumer is declined for their original choice of cover. Downgrading often happened without a clear warning about the limitations or exclusions of the downgraded policy, increasing the risk that consumers buy cover they do not understand and that does not meet their needs.

26 Some firms engaged in other conduct that reduced informed decision making—for example, by bundling cover into a quote or selecting a cover amount without asking the consumer.

27 We expect the industry, through a revised Code, to raise standards: see paragraphs 65–66 of the report.

### Finding 4: Overall industry conduct had improved over the review period, with outbound sales associated with ongoing conduct issues

28 Poor conduct, including pressure selling, was more prevalent in the older calls we listened to as part of our first call review. This appears to be, in part, due to a move away from outbound sales models.

29 Outbound sales include unsolicited telemarketing calls, or situations where consumers would not expect a sales call. For example, this might be because they entered a competition or completed a survey, or if they are an existing customer of a non-life insurance business, where they unknowingly agreed to terms and conditions that signed them up to receive marketing calls about life insurance.

30 In our first call review, all the firms were engaged in outbound sales. We welcome the fact that by mid-2017 three firms had stopped this practice, and a fourth firm had predominantly stopped outbound sales. The most

concerning sales conduct we observed, particularly the use of pressure selling, was mainly by firms still engaged in outbound sales.

31 This is consistent with our consumer research, where consumers who bought a policy during an outbound sales call were more likely to have felt pressure to buy and were more likely to have been influenced by the sales person in their decision on type and level of cover.

32 Consumers who bought life insurance in response to outbound sales calls were more likely to have been told that they did not need to get a medical examination and that they did not need to answer any questions about their medical history. This suggests that they were offered products with pre-existing condition exclusions—but these consumers were also less likely to be aware of any exclusions for their policy.

33 We do not consider that selling a product as complex as life insurance on an outbound basis is conducive to consumers making informed decisions. We are proposing to restrict outbound phone sales of direct life insurance: see paragraph 78 of the report.

## Product design

**Finding 5: Some products or product features provided little value to consumers, while others were difficult to understand and therefore may not perform as expected**

34 Guaranteed acceptance products, such as accidental death insurance or products with pre-existing condition exclusions, have a lower likelihood of consumers being eligible to claim due to the substantial limitations and exclusions applied to these products.

35 We are particularly concerned about the value of accidental death insurance, and data shows that this product offers little benefit to consumers: the claims ratio for the 2015–17 financial years was 16.1%. This means that for every $1 of premium paid by consumers, only 16 cents was paid in claims by insurers.

36 More generally, premium features were complex, and in some cases, firms relied on consumers identifying and opting out of benefits that could result in poor value. For example, automatic indexation is intended to increase cover in line with rising incomes and cost of living. However, some firms applied automatic indexation to income protection policies with claim limits (e.g. 75% of income after tax) where the increases could lead to the consumer paying for more cover than they could ever claim.

37 Some product features appeared to be designed more to promote and differentiate products than to meet a genuine consumer need. For example, an age benefit such as ‘guaranteed payout’ is unlikely to perform as expected when it has stepped premiums which make the cover unaffordable for many consumers before the payout age is reached.

38 Unless firms can demonstrate that accidental death insurance can provide a benefit to consumers, we expect them to stop selling this product. If they do not, we will consider the need for more formal action in the future: see paragraph 79 of the report.

## Training and scripts, quality assurance and incentives

39 Our review highlighted how business practices can drive the sales conduct issues we observed.

**Finding 6: Training and scripts did not always set clear and professional standards for sales conduct**

40 Some firms' training and scripts prescribed sales practices that we identified in our call review as concerning, such as inappropriate objection handling. In some cases, expectations on appropriate sales conduct were not clearly articulated or appeared conflicted. For example, while sales staff were told not to engage in pressure selling, they were also trained in objection handling and 'closing' techniques.

41 Training on product knowledge was generally very thorough and comprehensive, and most firms' training covered key compliance requirements in detail. However, scripts sometimes failed to include clear guidance on effective disclosure about product exclusions, which likely contributed to some of the poor conduct we observed in our call review.

42 Firms incorporated training on the treatment of vulnerable consumers—that is, people who may require more assistance to make an informed decision due to language difficulties, comprehension, financial limitations or other reasons. However, training did not always provide comprehensive guidance on how to identify these consumers and what practical steps sales staff should take to assist them.

43 In general, we noted that scripts and training were balanced in favour of compliance and business risk rather than considering consumer outcomes. Training particularly failed to highlight the real-life consequences for consumers and their families from being sold life insurance that was not right for them. Firms must put the needs and challenges for consumers at the forefront of sales staff's minds.

44 Under their Australian financial services (AFS) licence, firms must ensure that their representatives are adequately trained and competent to provide financial services. To ensure that firms are meeting this key obligation, training should address the findings on sales conduct in our report and must establish clear and professional standards for this conduct: see paragraph 71 of the report.

## Finding 7: Quality assurance frameworks were not always effectively designed to detect and address poor sales conduct

45 Firms' quality assurance frameworks did not consistently test for behaviours that were likely to increase the risk of poor consumer outcomes and were not effective at detecting such conduct. When we compared the quality assurance assessments firms completed, against our own call reviews, we found that in 90% of cases (26 out of 29 assessments) firms did not identify the key issues we identified in our review.

46 Some quality assurance frameworks had very low thresholds for passing assessments or did not strongly penalise failure, limiting the consequences for sales staff where inappropriate conduct was identified.

47 While all firms took a risk-based approach to sampling, this did not always capture calls likely to pose the greatest risk to consumers but was often designed to minimise risks to the business. Sample sizes were sometimes so small that it was unlikely the firm could monitor conduct effectively.

48 It was not always clear whether issues identified in assessments were followed up with consumers in a consistent and timely manner. We did see evidence of consistent feedback to the sales staff involved and corrections to underwriting, but it was less clear that consumers were always contacted to fix problems.

49 In some cases, there was no evidence that firms took decisive action to remove sales staff who did not meet expected standards from phones or made changes to processes and procedures in response to issues identified by the quality assurance assessments.

50 Under their AFS licence obligations, firms must do all things necessary to provide financial services efficiently, honestly and fairly. To ensure that firms are meeting this key obligation, we expect firms to significantly strengthen their quality assurance frameworks: see paragraph 71 of the report.

## Finding 8: Conflicted incentive schemes were linked to inappropriate point-of-sale conduct, but changes being made in response to recent reforms should mitigate this risk and improve conduct

51 Most firms had incentive schemes with features designed to drive sales, such as minimum sales targets, commission or bonuses based on the number or value of sales, and target-driven commission accelerators. These create conflicts of interest, as they encourage sales staff to put their own interest of closing a sale ahead of consumers' interests.

52 Firms attempted to manage these conflicts of interest, for example, by using balanced scorecards, introducing quality assurance targets, and putting commission clawback in place. While these features should have some positive impact, we found that they were generally not sufficient to mitigate the risk from remuneration structures.

53 We identified a link between incentive schemes and conduct at point of sale. With one exception, those firms with the incentive schemes that had the most significant conflicts of interest were also the firms who engaged in pressure selling and other practices where a sale was prioritised ahead of the needs of the consumer. We do not consider that heavily sales-driven incentive schemes support a professional culture.

54 The Life Insurance Framework (LIF) reforms, which came into force on 1 January 2018, reduce conflicted remuneration in sales of life insurance. These provisions apply to sales of life insurance through the direct channel. We expect that the changes made by industry to comply with these reforms should reduce sales-driven behaviour and result in better consumer outcomes.

55 Firms will need to remove conflicted remuneration schemes or comply with commission caps and put in place clawback arrangements over two years (i.e. they must hold back or recover any commissions paid to sales staff where policies lapse within two years of a sale). This will reduce instances of sales staff putting their own interests ahead of the consumer and promote lower lapse rates.

### Finding 9: Our review of sales culture shows that there can often be a disconnect between firms' 'target culture' and what happens in practice

56 We used a review of sales culture to help us understand what conduct we were seeing and why it was occurring.

57 We asked firms for their 'target culture', by describing their values and desired consumer outcomes, and how these are embedded and measured. We then contrasted this with the 'observed sales culture' through our own assessment of processes and practices and behaviour by sales staff on calls.

58 All firms had one or more corporate values that focused on the consumer. However, when it came to translating these values into concrete and measurable outcomes, many firms focused on fairly limited or short-term metrics, such as customer service measures. Given consumers' limited knowledge of life insurance and the 'long-tail' nature of the product, we do not consider that this effectively measures consumer outcomes. Concrete consumer outcomes, as measured by lapses or unsuccessful claims, did not feature prominently, if at all.

59 The consumer perspective was not always embedded in processes and procedures in a consistent way. While some firm's processes demonstrated a clear consideration of their customers' needs, in other cases we found that the design of policies (e.g. sales scripts or incentive schemes) appeared to contradict the overarching objective of 'doing the right thing by consumers'.

60 We found some examples of good practice and cultural alignment across firms. However, we found more instances of cultural disconnects or inconsistencies. For example:

(a) what happened in practice in the calls differed markedly from what the firm set out to do;

(b) tension between different business practices, including conflicts of interest, meant that firms could not consistently deliver good consumer outcomes; and

(c) there was a real difference between explicit messaging (e.g. in training materials) and implicit messages in other documentation.

61 We also note that all firms could do more to ensure that consumer outcomes are considered in a consistent manner in all their processes and procedures. We recommend that all firms consider the cultural disconnects or misalignments we describe and how these examples may apply to their own business.

## ASIC's expectations of industry

62 Despite the concerns highlighted by our review, we were encouraged to see that sales practices and product design improved over the period we reviewed. Some firms have moved away from riskier business models—such as outbound sales and reliance on products with exclusions for pre-existing conditions—and have taken active steps to improve conduct. Some firms showed greater professionalism in the sale of direct life insurance, whereas others fell short.

63 The introduction of the Code by the FSC appears to have played a role in improving sales standards. However, significant improvements are still needed to reduce the risks of poor consumer outcomes and to consistently place the interests of consumers at the centre of the direct life insurance market, and to increase consumer trust in direct life products and how they are sold.

64 The Government has also agreed to introduce reforms that will help to raise standards in this sector. In particular, the proposed product design and distribution obligations will require firms to identify clear target markets, design their products to meet these consumers' needs, and distribute them accordingly. Firms will also be obliged to conduct regular reviews of product performance. In acting to address the issues identified in this report, industry should assess their current products and distribution strategies with these future obligations in mind.

## Expectation 1: The Life Insurance Code of Practice needs to set higher standards and raise professionalism across industry

65 Industry can respond promptly to the issues identified in this report by raising standards in the next iteration of the Code and increasing professionalism across the industry.

66 We expect the revised Code to set rigorous standards to address our findings, including requiring insurers to:

(a) *Provide adequate explanations of key exclusions and future cost*—Firms should clearly explain these features and limitations as part of their sales calls. Firms should not rely on including this information in lengthy pre-recorded or verbatim disclosures. Pre-existing condition exclusions in particular should be clearly explained to the consumer, with practical examples to highlight the breadth of this exclusion.

(b) *Stop pressure selling*—The Code currently commits insurers to prevent pressure selling but does not articulate what pressure selling is. The Code must clearly define and prohibit pressure selling. This must include that firms stop using the cooling-off period and deferred payment arrangements to conclude sales and provide a written quote and policy information to consumers if requested. Firms must also have clear guidelines for staff to end a sales call the first time a consumer states that they do not want to proceed.

(c) *Introduce a deferred sales model for downgrades*—If a consumer is not eligible for a policy and the firm offers a downgraded option, they should provide a clear warning upfront about the product's extra restrictions or limitations. Firms should also provide the Product Disclosure Statement (PDS) and schedule a call back at a later date, after a set number of days have elapsed, rather than concluding the sale in the same call, so the consumer has time to consider whether the product meets their needs.

(d) *Stop using techniques that frame consumers' choices*—Firms must allow consumers to make their own choices about cover type and sum insured and must not engage in techniques that reduce informed decision making, such as bundling cover into a quote without seeking explicit consent from the consumer upfront.

(e) *Establish a clear target market for limited value products and only sell these products where there is genuine consumer need*—For example, the substantial limitations of accidental death insurance mean that it is unlikely to meet consumer needs. Firms should cease selling this product except where they can demonstrate that it provides value and meets a genuine consumer need. Firms should also review other product features and not include such benefits if they do not serve a clear purpose and offer value in terms of consumers managing risk.

(f) *Strengthen protections for vulnerable consumers*—Firms should build on the existing provisions in the Code and set clearer expectations about how sales staff should behave when dealing with vulnerable consumers, including when it will be appropriate to end a call. Quality assurance frameworks should test whether sales staff identified and responded to vulnerable consumers.

(g) *Ensure that automatic cover increases do not exceed what the consumer can claim*—Firms must ensure that automatic indexation increases do not result in the consumer paying for more cover than they could ever claim, for example, where the policy has a claim limit based on a proportion of the consumer's income.

(h) *Implement training and quality assurance frameworks that establish standards, monitor sales conduct, and resolve poor consumer outcomes*—Firms must establish clear standards for sales conduct and establish quality assurance assessments that specifically test sales staff against the Code obligations. Assessments must be conducted within a short timeframe and firms must promptly contact the consumer if an assessment identifies issues with consumer need or understanding. The Code should mandate minimum timeframes for quality assurance processes.

67 We expect all firms to do more to understand what leads to outcomes such as high declined and withdrawn claims and short-term lapses in their particular business. Firms should then take action to make necessary changes to sales or product design to address these issues, including but not limited to those identified in this report. This may involve taking action beyond just strengthening disclosure at the point of sale to improve outcomes. A focus on lowering lapse rates should not result in aggressive retention.

68 Insurers who sell their product through distributors who hold their own AFS licence should ensure their agreements with these sales partners commit the distributor to meet relevant standards under the Code.

69 We expect that firms selling direct life insurance will not wait for the Code to be updated but will review the findings and recommendations in this report and implement changes as required to improve consumer outcomes.

70 While we did not cover sales of consumer credit insurance and funeral insurance as part of this review, consumers will be facing similar challenges when being sold those products. We expect firms selling consumer credit insurance, and in particular funeral insurance, to act on our findings and recommendations.

**Expectation 2: Firms must take action to ensure they are meeting their licensing obligations**

71 Firms must review their internal policies and procedures against the findings of our review to ensure they are sufficient to meet their obligations under their AFS licence, including their general obligations to:

(a) provide financial services efficiently, honestly and fairly;

(b) ensure that representatives are adequately trained and competent to provide financial services;

(c) ensure that representatives comply with financial services law; and

(d) have adequate arrangements in place for managing conflicts of interest.

## ASIC's actions

**ASIC action 1: Monitoring and publication of consumer outcomes**

72 Following the release of REP 498, APRA and ASIC have worked collaboratively to establish a public reporting regime for life insurance claims information with the aim of improving the accountability and performance of life insurers. We have published aggregate industry data already and propose to publish individual insurer data in the future to provide transparency about claim outcomes for consumers, including for direct life insurance.

73 We will also collect data on a six-monthly basis on cooling-off cancellations and short-term lapses to test whether consumer outcomes improve. If outcomes do not improve, we will consider what further regulatory interventions will be necessary, using the full range of our powers.

**ASIC action 2: Remediation and enforcement action**

74 Remediation is already underway—Clearview has commenced refunding approximately $1.5 million to 16,000 consumers.

75 Where we saw the most concerning conduct, we are reviewing what further remediation is required by other firms to address consumer harm.

76 Any firms who have engaged in the inappropriate sales conduct identified in this report must review past sales of direct life insurance and remediate consumers appropriately. This includes any firms selling direct life insurance who were not subject to this review.

77 We are assessing the conduct of individual firms to determine whether enforcement action is required.

 

## ASIC action 3: Outbound sales

78 We intend to restrict outbound sales calls for life and funeral insurance. We are considering what regulatory tools we will use to implement this reform. In the meantime, the small number of firms who are still engaged in outbound sales will need to move away from this practice.

## ASIC action 4: Accidental death insurance

79 We will monitor consumer outcomes for accidental death insurance, including rates of cooling-off cancellations, short-term lapses, and claims outcomes. If we remain concerned about consumer outcomes and sales practices, we will use our current and/or proposed future powers, including product intervention powers, to intervene.

## ASIC action 5: Follow-up work on LIF reforms and incentives

80 The requirements imposed by the LIF reforms from 1 January 2018 reduce conflicted remuneration in life insurance sales. We will continue to assess how firms have responded to the LIF reforms; in particular, we will assess whether firms have implemented clawback provisions alongside the commission cap where appropriate.

81 The introduction of the LIF reforms should lead to lower lapse rates, and we will monitor these outcomes on an ongoing basis: see ASIC action 1.

82 As part of our 2021 review to test whether the LIF reforms have achieved their objective of improving the quality of advice, we will also assess whether a reduction in conflicted remuneration has led to better consumer outcomes in the direct life insurance channel.

## ASIC action 6: Information on ASIC's MoneySmart website to help consumers

83 We have updated our MoneySmart website to help consumers make informed decisions about buying life insurance.