



2018-19 ASIC Business Plan Summary by Sector Insurance

Key projects	Project Status	Focus
Change behaviours to drive good consumer and investor outcomes		
Direct sale of life insurance	Continuing 21017-18 project	Following up on the findings from our review of the direct sale of life insurance to promote better practices (Report 587 <i>The sale of direct life insurance</i>), including introducing a ban on outbound sales of life insurance, monitoring and publishing consumer outcomes, targeted remediation and enforcement action, monitoring consumer outcomes for accidental death insurance, and follow up work on the LIF reforms and incentives.
Sale of add-on insurance through car dealerships	Expanded 2017-18 Project	<ul style="list-style-type: none"> Consulting on a deferred sales model for add-on insurance and other financial products sold through car dealerships Extending improvements to the design, value and sales practices of add-on insurance to warranties sold in car dealerships
Handling of life insurance claims	Continuing 21017-18 project	Moving to an ongoing reporting regime with APRA for the regular publication of life insurance claims and claims-related disputes data – at industry and insurer-specific levels – to improve transparency and accountability across the sector.
Conflicts of Interest*	New Project	<ul style="list-style-type: none"> Surveillance, monitoring and enforcement activities in relation to conflicts of interest in insurance including insurance in superannuation and financial advice regarding insurance. Review the extent of permissible conflicted payments to advisers within and outside licensed entities.
Act against misconduct to maintain trust and integrity in the financial system		
Supervision and Close and Continuous Monitoring*	New Project	Increased supervision and scrutiny of the largest financial institutions, through increased on-site supervision of selected large banks and other large entities.



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Consumer credit insurance	Continuing 21017-18 project	<ul style="list-style-type: none"> Reviewing banks' compliance with the recommendations in Report 256 <i>Consumer credit insurance: A review of sales practices by authorised deposit-taking institutions</i> (REP 256). We will publish the outcomes of our work by March 2019 Undertaking follow-up work, including targeted surveillances of banks' sales, distribution, compliance monitoring and complaints handling practices, and monitoring of data trends – e.g. loss ratios and declined and withdrawn claims
Total and permanent disability (TPD) claims	Continuing 2016-17 project	Examining TPD claims practices – e.g. timeframes and evidence. This is a follow-up to REP 498, which found TPD insurance had higher rates of declined and withdrawn claims, disputes and issues with restrictive definitions
Advertising materials*	Ongoing project	Review of advertising materials focusing on misleading and deceptive conduct, and false and misleading representations
Insurance in superannuation*	Continuing 2016-17 project	Claims and complaints handling, member engagement, and disclosure practices relating to group cover in superannuation, including monitoring the adoption of the Insurance in Superannuation Voluntary Code of Practice, in conjunction with APRA
Whistle-blower protections and reforms*	New project	Implement reforms to the whistle-blower protection regime, analyse and identify trends in various data sources (Internal Dispute Resolution, External Dispute Resolution and Reports of Misconduct to ASIC) and conduct intelligence assessments.
Promote strong and innovative development of the financial system		
Innovation Hub*	Ongoing	Managing informal assistance requests and licensing applications from fintech start-up businesses, including the regulatory sandbox licensing exemption and individual relief applications



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RegTech Initiatives*	New Project	Drive the development and use of RegTech solutions by financial services firms and ASIC to deliver and better regulatory compliance and outcomes for consumers, through problem solving events, collaborative supervision trials, stocktake projects, and internal trials
Competition*	New Project	Establish a framework and develop capability for ASIC to consider the effects of competition in ASIC's regulatory decisions. Engage with other government agencies to ensure ASIC's framework complements the whole of government approach to competition.
Help Australians to be in control of their financial lives		
Messages to industry and consumers	Ongoing	<ul style="list-style-type: none">◆ Engaging regularly with consumers and consumer groups to identify and address exploitative practices◆ Updating MoneySmart guidance, as appropriate◆ Updating regulatory guidance and publishing reports on surveillance outcomes and thematic reviews to articulate standards and expectations of industry
Complaints handling*	Continuing 2016-17 project	Improve complaints handling in relation to superannuation, insurance and insurance in superannuation
Indigenous Outreach Program*	Ongoing	<ul style="list-style-type: none">◆ Conduct surveillance, monitoring and enforcement of businesses offering services to indigenous communities.◆ Engage with indigenous communities to assist with growing the understanding of issues affecting Indigenous Australians.