

Dear Sirs

I refer to the Life Insurance Code of Practice Second Consultation Draft 10/8/16 and provide the following comments for consideration:

1. Section 3.3: I note that updates to Trauma definitions “..will be automatically incorporatedunless we believe there will be an increase in cost...”. My question is what happens where there is an increase in cost? Surely, policyholders should be offered the update subject to paying a higher premium and also be provided with an explanation of the likely consequence at claim time if the update is not taken. As an historical example, the ‘old’ definition of heart attack if not updated could lead to an individual being diagnosed by their doctor as having a heart attack but the trauma policy not paying-out because the definition was different. Therefore, I believe it is important that policyholders are given the option of paying a higher premium and benefitting from the updated definition.
2. Section 8.5: This section provides examples of relevant information that might be requested at claim time. The information quoted is “...financial, occupational and medical information”. It should be made clear that other evidence might be requested such as details of hazardous activities, overseas travel and residence etc.
3. Section 8.18: Section c) states that details of the insurer’s complaints process will be advised. It may be sensible also to agree to advise details of FOS and SCT at that time (which is what many insurers do).

I hope that you find my comments useful in your deliberations.

Yours Faithfully
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