



MEDIA STATEMENT

Friday 09 August, 2019

I write in response to Michael Roddan's article in *The Australian* "Insurers snooping in health records", (9 August).

The inference that life insurance companies are "snooping" through sensitive medical records is fanciful and contrary to the facts.

Australians should not fear life insurance or feel intimidated to make a claim - APRA data shows 92 per cent of all life insurance claims are paid in the first instance.

The Financial Services Council (FSC) has done a lot of work with the Royal Australian College of General Practitioners (RACGP) to protect people's privacy and together have approved a binding Standard for life insurers to ensure "snooping" will never occur. The FSC Standard is signed off by company boards and is binding on members.

When an insurance claim is made for a health reason it is only reasonable for the insurance company to be able to understand and confirm the cause of the claim. This usually requires some access to the claimant's health information, with the person's clear, informed consent.

Crucially the Standard requires that people are informed each time their consent is used. This means claimants know who is being asked to provide information, what that information is, and can withdraw their consent at any time.

Life insurers will first be required to ask doctors for a report on the condition their patient is claiming for, not the full medical record. All life insurers are required to have a chief medical officer, a doctor to oversee health aspects of applications for cover and claims.

Self-regulation is something the life insurance industry stands behind strongly.

Nick Kirwan

FSC Senior Policy Manager, Life Insurance

Media Contact: Esther Jago on 0421 102 944 or ejago@fsc.org.au

About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing almost \$3 trillion on behalf of more than 14.8 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the fourth largest pool of managed funds in the world. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.