

Professor Rosalind F. Croucher
President
Australian Law Reform Commission
GPO Box 3708
SYDNEY NSW 2000

29 August 2012

Dear Professor Croucher

ACCESSIBILITY AND AVAILABILITY OF GENERAL INSURANCE FOR SENIORS

The Insurance Council of Australia¹ (Insurance Council) would like to provide further information following our submission to the ALRC's inquiry into *Grey Areas: age barriers to work in Commonwealth Laws* to highlight the range of general insurance in the market available for senior Australians.

The Insurance Council is keen to continue to improve consumer information in this area to address community and government concerns about the accessibility of insurance for senior Australians.

The **attached** information was developed with input from members of the Insurance Council's Anti-Discrimination Working Group. Although it does not cover all of our members and their products, it serves as a useful snapshot of the range of general insurance available.

We are also pleased to advise that we launched a Consumer Referral Service on 1 July 2012. The Service provides general information by listing contact details for insurers that provide the type of insurance that the consumer is looking for. For example, there is a listing for 'seniors travel insurance'. The Insurance Council hopes this Service will be beneficial in assisting senior Australians to shop around and access appropriate insurance. The Service can be accessed by: <http://www.findaninsurer.com.au> or telephone on 1300 884 934.

¹ The Insurance Council of Australia is the representative body of the general insurance industry in Australia. Our members represent more than 90 percent of total premium income written by private sector general insurers. Insurance Council members, both insurers and reinsurers, are a significant part of the financial services system. March 2012 Australian Prudential Regulation Authority statistics show that the private sector insurance industry generates gross written premium of \$36.6 billion per annum and has total assets of \$115.9 billion. The industry employs approx 60,000 people and on average pays out about \$111 million in claims each working day.

Insurance Council members provide insurance products ranging from those usually purchased by individuals (such as home and contents insurance, travel insurance, motor vehicle insurance) to those purchased by small businesses and larger organisations (such as product and public liability insurance, professional indemnity insurance, commercial property, and directors and officers insurance).

We trust this information is useful in the development of your Discussion Paper. If you require further information, please contact Mr John Anning, Insurance Council's General Manager Policy- Regulation Directorate at janning@insurancecouncil.com.au

Yours sincerely



Robert Whelan
Executive Director & CEO

INSURANCE COUNCIL SNAPSHOT¹ OF GENERAL INSURANCE & SENIOR AUSTRALIANS

Insurer	Product	Distribution	Additional Information
Allianz			
<p>Allianz has a variety of General Insurance products available to senior Australians.</p> <p>Products tailored to senior Australians are available through specific affinity partners including National Seniors Association, Council of the Aging and Over 50's Insurance Agency.</p>	<p>Travel There are different policy plans, as well as additional policy conditions and restrictions applying for older age groups.</p> <p>Corporate Travel insurance is available to customers aged 85 and under.</p> <p>Expatriate Medical Protection insurance is available to customers aged 65 and under.</p>	<p>Travel Products tailored to senior Australians are available from:</p> <ul style="list-style-type: none"> ▪ National Seniors Association; ▪ Over 50's Insurance Agency. <p>Corporate Travel insurance and Expatriate Medical Protection</p> <ul style="list-style-type: none"> ▪ Available direct from Allianz or brokers. 	<p>Other travel policies generally available to all Australians are also available to senior Australians available direct from Allianz, Allianz's agents or brokers. Not all sales channels sell to all ages.</p>
	<p>Domestic Motor Product offerings vary by distribution channel. For COTA & NSA, a feature of the product is a renewal guarantee and Lifetime No Claim Bonus conditions.</p>	<p>Products tailored to senior Australians are available from:</p> <ul style="list-style-type: none"> ▪ Council of the Aging; ▪ National Seniors Association; ▪ Over 50's Insurance Agency. 	<p>Domestic Motor policies generally available to all Australians are also available to senior Australians, directly from Allianz or through agents or brokers. Not all sales channels sell to all ages.</p>
	<p>Home & Contents Product offerings vary by distribution channel. The main product feature for seniors is renewal guarantee, regardless of the number of claims; this applies to the COTA and NSA products. An additional feature of the COTA product is cover for handbag snatch and grab.</p>	<p>Products tailored to senior Australians are available from:</p> <ul style="list-style-type: none"> ▪ Council of the Aging; ▪ National Seniors Association; ▪ Over 50's Insurance Agency. 	<p>Other Home & Contents policies generally available to all Australians are also available to senior Australians, directly from Allianz or through agents or brokers. Not all sales channels sell to all ages.</p>

¹ Based on information provided to the Insurance Council by members of its Anti-Discrimination Working Group. This list is not exhaustive and is accurate as at 29 August 2012.

Insurer	Product	Distribution	Additional Information
Chartis			
	<p>Non-age limit travel product line up includes:</p> <ul style="list-style-type: none"> • Chartis • Protection • Amcal Travel Insurance Mature Age • Guardian Travel Insurance Mature Age • Good2Go Travel Travel Insurance Mature Age • Let's Go Travel Insurance Mature Age • Travelbug Travel Insurance Mature Age • Jetstar Ticket and Baggage Protection • Defence Health travel Insurance Mature Age • Tiger Airways Ticket and Baggage Protection • Greyhound Australia Ticket Protection • Hotels.com.au Accommodation Insurance Mature Age • Air North Ticket and Baggage Protection 		

Insurer	Product	Distribution	Additional Information
CommInsure			
<p>CommInsure does not provide travel insurance.</p>	<p>Residential Home Insurance</p> <ul style="list-style-type: none"> • Building • Contents <p>- Cover for Domestic Workers Compensation can be taken with Buildings and/or Contents Policies (Residential Only)</p> <ul style="list-style-type: none"> • Portable Valuables (Contents) <p>Investment Home Insurance</p> <ul style="list-style-type: none"> • Building • Contents <p>* Option for over 50's to select a \$0 excess</p>	<ul style="list-style-type: none"> • General Insurance Contact Centre • All CBA Branches Australia wide • CBA Direct Banking Contact Centre • CBA Mobile Bankers • Internet Sites <ul style="list-style-type: none"> - CommInsure - CommBank - NetBank 	<p>Pay By The Month at no extra cost. Auto payment deduction from bank account or credit card.</p>
	<p>Car Insurance</p> <ul style="list-style-type: none"> • Comprehensive • Third Party Property Damage, Fire and Theft • Third Party Property Damage <p>*Restricted driver option to exclude under 30 year old drivers, in turn reducing premium</p>	<ul style="list-style-type: none"> • General Insurance Contact Centre • All CBA Branches Australia wide • CBA Direct Banking Contact Centre • CBA Mobile Bankers • Internet Sites <ul style="list-style-type: none"> - CommInsure - CommBank - NetBank 	<p>Pay By The Month at no extra cost. Auto payment deduction from bank account or credit card.</p>

Insurer	Product	Distribution	Additional Information
Insurance Australia Group			
	<p><u>NRMA</u> NRMA Home@50 Insurance - some of the features include:</p> <ul style="list-style-type: none"> • 15% off travel insurance when purchased online at nrma.com.au • Reduced premiums, even if policy holders work full-time; • Nil basic excess option on claims • Legal advice through Helpline on 1 matter for up to 1 hour per policy year • 15% discount on selected St John Ambulance Australia training courses and first aid kits. 		
	<p><u>SGIC</u> SGIC offers a Home@50 insurance product:</p> <ul style="list-style-type: none"> • 15% off travel insurance when purchased online at sgic.com.au • Reduced premiums, even if policy holders work full-time • Nil basic excess option on claims • Legal advice through Helpline on 1 matter for up to 1 hour per policy year • 15% discount on selected St John Ambulance Australia training courses and first aid kits. 		

Insurer	Product	Distribution	Additional Information
	<p><u>SGIO</u> SGIO offers a Home@50 insurance product.</p> <ul style="list-style-type: none"> • 15% off travel insurance when purchased online at sgio.com.au • Reduced premiums, even if policy holders work full-time; • Nil basic excess option on claims • Legal advice through Helpline on 1 matter for up to 1 hour per policy year; • 15% discount on selected St John Ambulance Australia training courses and first aid kits. 		
	<p><u>CGU</u> <i>Travel Insurance</i></p> <ul style="list-style-type: none"> • Maximum duration of travel 365 days. • Maximum period in the USA and/or Canada and/or a cruise to any destination 365 days. <p><i>Age 70 – 74 Years</i> Maximum duration of travel 270 days. Maximum period in the USA and/or Canada and/or a cruise to any destination 180 days.</p> <p><i>Age 75-79 Years</i> Maximum duration of Travel 180 days. Maximum period in the USA and/or Canada and/or a cruise to any destination 90 days.</p>	<ul style="list-style-type: none"> • Distribution via call centre, internet and intermediaries 	

Insurer	Product	Distribution	Additional Information
	<p><i>Age 80-84 Years</i> Maximum duration of Travel 90 days. No cover to the USA, Canada or Japan.</p> <p><i>Age 85+</i> No cover.</p> <p>The policy for an applicant over 70 years of age may not be purchased more than 6 months prior to the commencement of travel.</p> <p>The maximum travel duration for a domestic policy is 90 days and age is not relevant unless cover is required for a pre-existing medical condition.</p> <p>Home & Contents</p> <ul style="list-style-type: none"> • All ages • Discount for over 50s <p>Motor</p> <ul style="list-style-type: none"> • All ages • Nominated driver option available <p>Voluntary Workers</p> <ul style="list-style-type: none"> • standard policy offering has age limit of 75 years. • In excess of 75 years, subject to underwriting criteria <p>Personal Accident</p> <ul style="list-style-type: none"> • standard policy offering has age limit of 55 years. • In excess of 55 years, subject to underwriting criteria. 	<ul style="list-style-type: none"> • Distribution via call centre, internet and intermediaries • Distribution via call centre, internet and intermediaries • Distribution via direct and intermediaries • Distribution via direct and intermediaries 	

Insurer	Product	Distribution	Additional Information
QBE			
	<p>Corporate Travel Policy has no age limitation.</p> <p>Leisure Travel policies, there are age limits on some lines, but policies are available by request to QBE Travel or through travel agents.</p> <p>Main factor for those >70 is a requirement to submit a medical form, sometimes with a doctor's statement. An additional premium may apply.</p> <p>Cover may be limited based on an existing medical condition, rather than age itself.</p> <p>QBE Home Insurance Policy, over 50s discount.</p> <p>Voluntary Workers Policy accommodates Insured Person's up to age 80.</p>	<ul style="list-style-type: none"> • QBE doesn't market directly to seniors. • Travel Policies are available by request to QBE Travel or through travel agents. 	
MDA National Insurance Pty Ltd			
	<p>Professional Indemnity Insurance for medical practitioners</p>	<ul style="list-style-type: none"> • Branch • Call Centre (Member Services) • Web • Direct Mail • Events 	<p>Professional Indemnity cover is a mandatory requirement for medical practitioners wanting to maintain their registration with AHPRA.</p> <p>Various levels of cover are available for senior practitioners who are winding down their practice or undertaking gratuitous services and need cover in order to maintain registration.</p> <p>For those practitioners who are over the age of 65 and permanently retired there is access to the Run Off Cover Scheme (ROCS) that is administered by the insurers on behalf of Medicare.</p>

Insurer	Product	Distribution	Additional Information
Suncorp			
Commercial Insurance			
<p>The Suncorp Group operates a variety of insurance brands that offer General Insurance products available to Senior Australians.</p> <p>Suncorp offers commercial insurance products to senior Australians engaged in Small to Medium Enterprises and considers the experience of the applicant in underwriting the insurance.</p>	<ul style="list-style-type: none"> • Public Liability 		
	<i>Vero</i>	Brokers	
	<i>GIO</i>	Agents	
	<i>AMP</i>	Agents and brokers	
	<ul style="list-style-type: none"> • Professional indemnity insurance 		
	<i>Vero</i>	Brokers	
	<i>GIO</i>	Call centres and agents	
	<i>AMP</i>	Agents	
	<i>Suncorp</i>	Call centres	
	<ul style="list-style-type: none"> • SME Business Packages 		
	<i>AAMI</i>	Call centres Branch networks	
	<i>GIO</i>	Call centres Branch networks Agents	
	<i>Vero</i>	Brokers	
<i>AMP</i>	Agents Brokers		
Personal Insurance			
<p>Suncorp issues a variety of Personal Insurance policies available to seniors. The Apia brand is targeted specifically at Australian Seniors.</p>	<ul style="list-style-type: none"> • Travel insurance 		
	<i>Suncorp</i>	Call Centre Internet	
	<i>GIO</i>	Call Centre Internet	
	<i>Vero</i>	Call centre by referral only Agents	
	<i>Apia</i> Targeted to Australian seniors	Call centre Branch network	
	<i>AAMI</i>	Call centre Internet	

Insurer	Product	Distribution	Additional Information
	<ul style="list-style-type: none"> • Home and contents 		Including standard, investor, 55UP, platinum and renter's policies where applicable.
	<p><i>Suncorp</i></p> <ul style="list-style-type: none"> • Suncorp issues a specialised 55UP product available to customers over 55 years, includes features customised for seniors such as: <ul style="list-style-type: none"> • extended un-occupancy limits and • coverage for the belongings of visiting grandchildren. 	Call centres Branch networks Internet	The 55UP product is also issued by GIO and AMP.
	<i>AAMI</i>	Call centres Internet	All ages
	<p><i>AMP</i></p> <ul style="list-style-type: none"> • 55UP product 	Agents Brokers	
	<p><i>Apia</i></p> <p>Targeted to Australian seniors. Customised attractive to seniors.</p>	Call centres Branch networks Internet	Over 50's, no longer working full time
	<p><i>GIO</i></p> <ul style="list-style-type: none"> • 55UP product 	Call centres Branch networks Internet Agents	
	<i>Shannons</i>	Call centres Branch networks Internet	Age brackets are used to adjust pricing in order to reflect the different risks in each age group.
	<i>Vero</i>	Call centres Internet Agents	Age brackets are used to adjust pricing in order to reflect the different risks in each age group
	<i>Terri Scheer</i>	Call centres Internet Agents	No age structure
	<ul style="list-style-type: none"> • Motor Insurance 		
	<i>Suncorp</i>	Call centres Branch network Internet	All ages

Insurer	Product	Distribution	Additional Information
	<i>AAMI</i>	Call centres Internet	All ages
	<i>AMP</i>	Agents and brokers	All ages
	<i>Apia</i> Targeted to Australian seniors	Call centres Branch network Internet	Over 50's, no longer working full time
	<i>GIO</i>	Call centres Branch networks Internet Agents	All ages
	<i>Shannons</i>	Call centres Branch networks Internet	Age brackets
	<i>InsureMyRide</i>	Call centres Internet	Age brackets, driver cannot be over 100
	<i>Bingle</i>	Internet	Age brackets
	<i>JustCar</i>	Call centre Internet	Age brackets, capped at 100 years old (system will not process anyone born before 1912).
	<i>Vero</i>	Call centre Internet Agents	Age brackets
	• Boat Insurance		
	<i>Suncorp</i>	Call centres Branch network	All ages
	<i>GIO</i>	Call centre Branch network Agents	All ages
	<i>AMP</i>	Call centre Agents	All ages
	<i>Apia</i> Targeted to Australian seniors	Call centre Branch network	Over 50's, no longer working full time
	• Caravan		
	<i>Apia</i> Targeted to Australian seniors	Call centres Branch network	Over 50's, no longer working full time
	<i>CIL</i>	Call centres; agents; and brokers	All ages
			ENDS