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Financial Markets Policy
Building, Resources and Markets
Ministry of Business, Innovation and Employment
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Sent by email to: insurancereview@mbie.govt.nz

Submission on: Insurance Contract Law Review

I wish to see changes to make the insurance market work better for consumers and ensure they get a fair deal.

I support Consumer NZ's call for **clear insurance policies** in plain language, **fair terms and conditions** with insurance policies being subject to the Fair Trading Act's ban on unfair contract terms, **protection from claims being unreasonably declined**, and particularly **price transparency**.

Regarding price transparency, I support in principle the insurance industry's move to base house and contents insurance on actual and specific risk. This is because it is a well known fact that in the event of an earthquake or similar catastrophe, houses on the same street behave differently – they have different risk profiles. Therefore, in deciding to base policy cover on the risk specific to a particular house at a particular address, insurance companies must now determine the unique and specific qualities and conditions for each house. Under the Privacy Act, such information is deemed to be personal information, and the house and policy owner should be able to access the information held by the insurance company. As the Privacy Commissioner website¹ says – *“Any information an agency holds that connects an individual to their possessions or property (such as an individual's insurance policy for their house or car, their rental or tenancy agreement, or the terms of sale for a purchase they have made) will be that individual's personal information. As such, they would be entitled to request it under the Privacy Act”*.

I have repeatedly requested my insurer, _____ to disclose to me the specific personal data and information they hold on my house and which they are using to determine the risk and hence my policy premiums. To date, they have refused to share this information. Their latest response said that ... *“If you are seeking greater detail of the specific risk data that we hold, I hope you can appreciate this information we have acquired and model portion of our pricing around would be unavailable to share with limitations of a commercial agreement. We therefore would be unable to provide more granularity than we already have”*.

Even after making allowances for the strange language used, it would seem that _____ refusal to disclose my personal information to me is in contravention of the Privacy Act.

There are valid reasons why I have requested the specific information that my insurer holds on my house. For a start, I wish to check and confirm its accuracy and whether it is up to date. Secondly, I wish to ensure its adequacy and completeness. Thirdly, I wish to determine whether there is anything I can do to reduce the risk.

I wish to conclude by repeating that the move to a specific risk basis for determining premiums by insurance companies must be based on actual and specific information, and that this amounts to personal information which must be accessible to the policy owner.

Yours sincerely

¹ See https://www.privacy.org.nz/further-resources/knowledge-base/view/298?t=158385_222941