

Submission on discussion document: Insurance contract law review

Your name and organisation

Name	s 9(2)(a)
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Regarding consumers' disclosure obligations

Were you aware of your general duty to disclose all material information when applying for insurance, and that the duty goes beyond the specific questions you are asked in your application for insurance?
Yes
If you were aware of your duty to disclose material information, who informed you of this duty?
Insurance agent
When applying for insurance, do you understand what material information you need to give the insurer so they can assess the risk of providing you with insurance?
Yes
Do consumers understand the potential consequences of breaching their duty of disclosure?
yes
Have you ever breached your duty of disclosure? What consequences were there for you in terms of the insurance cover you were able to obtain under the policy following the breach?
No. I disclosed all details. Confirmed by my doctor

Regarding conduct of insurers

What do you think fair treatment looks like from both an insurer's and consumer's perspective? What behaviours and obligations should each party have during the lifecycle of an insurance contract that would constitute fair treatment?
Both parties should keep to the written contract.
What has your experience been of the claims handling process? Please comment particularly
The insurance company refused to pay on nondisclosure of an irregular ECG.

I do not have an irregular ECG nor have I ever had any such problem. My doctor confirmed this in writing to Partners Life. They refused to pay until I involved a lawyer. They did pay many months later that the contract stated.

on:

- information from the claims handler about:
 - timeframes and updates on timeframes
 - reasons for declining the claim (if relevant)
 - how you can complain if declined
- The handling of complaints (if relevant)

The insurance sales person was no help despite promises at sale time.

Have you ever been sold an insurance product that was inappropriate for your circumstances? Or are you aware of this happening to others?

no

Have you ever felt undue pressure from an insurer or insurance intermediary (such as an insurance broker or salesperson) to buy or renew an insurance policy?

Yes

Regarding difficulties comparing and changing providers and policies

When considering the purchase of insurance, what sources of information do you draw upon to make your decision? (e.g. comparison websites, talking directly to different insurance providers, talking to an insurance broker or financial adviser)

100% Insurance broker advice and promises.

How long do you think you typically spend reading an insurance policy before you purchase it?

Not long. I took the word and summary of the broker.

Do you think you have a good understanding of the insurance policies you currently hold?

I had such a shocking experience that I cancelled all insurances.

If not, what is the main barrier to you understanding your insurance policy?

Trust of insurance companies and sales brokers. I was paying over \$2000.00 per month.

Have you ever been in a situation where you thought you had a certain level of cover under

your policy, but when you went to make a claim found you were not covered? If so, please provide us with a description of the situation.

Yes. Key person to pay out to protect my business. By the time partners Life payed out I had lost all assets and customers in my as I could not employ a manager. I did not expect them to invent a nondisclosure which no one knew about

Would you like to switch insurance providers? If so, what is your main barrier to switching?

I don't trust any insurance providers.

What, if anything, should the government do to make it easier for consumers to compare and change insurance providers and policies?

When an insurance policy is applied for the insurance provider should do there due diligence and investigate the medical records. After that a contract is prepared. No company should be allowed to take thousands of dollars off a client and not meet the contract conditions. All the risk is with the client. The client only has blind faith that one day they might get a claim settled. In my case Partners Life could not even tell me where the ECG problem originated.

Regarding exceptions from the Fair Trading Act's unfair contract terms provisions

Are you aware of instances where the current exceptions for insurance contracts from the unfair contract terms provisions under the Fair Trading Act are causing problems for consumers? If so, please give examples.

No Never heard of this

More generally, are there terms in insurance contracts that you consider to be unfair? If so, why do you consider them to be unfair?

Insurance providers refusing claims on nondisclosure. The providers should do there check before taking the client money. Truth is that they don't care. They love nondisclosure as they can invent any nonrelated, untruth rubbish to get out of paying.

Other comments

We welcome any other comments that you may have.

One would have to ask. Why did Partners life pay as soon as employed a lawyer?