

Response ID ANON-DUXZ-42AG-S

Submitted to Northern Australia Insurance Inquiry
Submitted on 2017-11-06 17:49:44

About you

What is your name?

Name:
Susanne Andres

What is your email address?

Email:

[REDACTED]

What is your suburb/town and postcode? (Only one is required.)

Suburb/town::

[REDACTED]

Postcode::

[REDACTED]

If you live in northern Australia, please tick all descriptions that apply to you.

[REDACTED]

What type of residence do you live in?

[REDACTED]

What insurance do you currently have? Please tick all descriptions that apply to you.

[REDACTED]

What is important in your decisions about insurance?

1. How important is the price ('premium') in your decision?

You could also tell us: Did you know about the price of insurance in your town before you moved there? Has price changed a lot? Have you tried to get a lower price? :

It is reasonably important and I regularly shop around for the best value for money offer. The price of insurance has gone up over the last 10 years year-on-year and sometimes by quite a large margin. There are now very few insurers that even offer a product in our region.

2. How much choice of insurers do you have?

You could also tell us: Where you live, how much choice is there between insurers? Do you think different insurers offer different policies (i.e. is coverage different)? :

Coverage is not very different, price varies to a large degree. Last time I renewed our insurance I could only find about 4 insurers that are even willing to offer policies in our region.

3. What are you covered for?

You could also tell us: Can you get the sort of insurance you want? Do you want flood insurance? How confident are you that you know what you are covered for and what limits you have? If you have made a claim, were you covered for what you thought you were?:

The insurance coverage is adequate and covers home and content. I do not require flood insurance, but there are no offerings that exclude this (possibly expensive) insurance type. I am confident that the level of insurance is what we require.

4. How important is customer service and claims handling reputation?

You could also tell us: How much does an insurer's reputation matter? How much does customer service matter? Have you seen an insurer behaving in a way that you think is unfair or confusing?:

Medium importance. A decent service centre that is accessible when needed is important.

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Unfair no. Confusing yes. The on-and-off offerings of flood insurance confuse consumers. The price increases are large, but most likely due to the recent increase in the scale of disaster events.

6. Has an insurer told you that they won't insure you or renew your insurance policy? If they have, what were the reasons they gave you?

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Renewals no problems at this stage. A number of insurers have refused to even offer a policy for the region.

How you get information about insurance and how easy it is to understand?

7. What information does your insurer give you and how useful is it?

You could also tell us: Does your renewal notice say if price has changed and the reason? Does it say how premiums are calculated? What could insurers do to make it easier to understand their products? :

Insurer information is largely adequate. Break-down of insurance items by cost would be helpful.

8. Where else do you see or look for information?

You could also tell us: How much effort is it to look for better or cheaper policies? What sort of advertising do you see? Have you used websites, tools or calculators? If you live in Queensland, have you heard about or used the North Queensland Home Insurance website? What did you think about it?:

Mainly online. Spend around 3 to 4 hours when renewal is due to source the market. Yes, have used the NQHI website and found it helpful.

9. Have you used, or thought about using, a broker? Why or why not?

You could also tell us: Did it make it easier for you to get a policy that you were more confident suited your needs?:

No. The online information available from the insurers is adequate.

10. Is there information to meet the needs of all consumers?

You could also tell us: Who can you ask if you need help understanding insurance? Is there information for people who are unable to read or write or use a language other than English? Do insurers have an office in your area or do they visit? Is mail, phone or internet access an issue in remote areas?:

Internet access is an issue as the NBN connection we have is patchy.

11. What special information do owners or managers of strata units need?

You could also tell us: How difficult is it to get clear and useful information about strata insurance? How transparent is the information provided to strata unit owners?:

I don't own strata units, and can't comment.

12. Have you seen examples of tools, technology or information in other industries that should be used to make insurance easier to understand?

Have you seen examples of tools, technology or information in other industries that should be used to make insurance easier to understand?:

Ratings endorsements are helpful

Have you switched insurers?

13. Have you considered switching insurance in recent years? Did you go ahead and switch? Why or why not? Please tell us about your experience.

You could also tell us: Did you consider switching policies with the same insurer, to a different insurer, or both? How did you find and compare policies? How many quotes did you compare? Was it a lot of effort? How does the use of standard definitions, such as for 'flood', make it easier to compare? Was your focus on price or coverage or both? Did you use a broker to help you? :

Yes, have switched on a number of occasions when the renewal offer was inadequate (mostly price related). Used online tools for policy comparison. Effort is reasonable, but takes a few hours for every policy.

What can households and insurers do to make insurance more affordable?

14. Have you considered renovating or altering your home, or building a new home to, to reduce the risk of storm or cyclone damage? Did you go ahead?

You could also tell us: How did you find out about building for your local conditions? How did you decide that it was a 'worthwhile' investment? If you made any alterations, did this have any impact on your insurance premium? Has it already, or will it, save you money in the long run?:

House is built to cyclone standards. A lot of insurers ask for things like back-to-base security monitoring, but this is not an option in our area and crime rates are very low here anyway.

15. What are insurers doing to make it easier and could they do more?

You could also tell us: Would your premium be lower if you made your house or belongings safer? Can you pay fortnightly or monthly and how much extra does it cost to do so? Does your insurer offer Centrepay to eligible customers? Have you seen new or different policies to target particular consumers, such as tenants, households on a low income, or people with only a small amount to insure? :

They don't seem to be doing a lot. The product offerings are not very flexible except for deductibles.

16. What are you doing to manage the cost of insurance?

You could also tell us: Have rising premiums motivated you to spend more effort looking for better policy options? Have you, or would you, reduce your level of coverage to save? Who else can you get help from?:

Increased deductible.

Other issues**17. If you have a view or experience to share that you haven't already covered in another question, please tell us about it. (Optional)**

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There seems to be market failure in the insurance market as some insurers simply don't touch northern Australia