

Response ID ANON-DUXZ-42RV-S

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:

[REDACTED]

I do not want my name to be published.

Do not publish my name

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? :

My family has lived in this district for over 50 years. We are complaining at the rise in the cost of Insurance - Body corporate fees went from \$600 each quarter to \$800 then to \$1100 and now to \$1900 and the Managers say it is due to the rise in the cost of Insurance. We have looked into securing an Insurance company who will charge less.

We are finding that Insurance companies will say that we live in a cyclone prone area and so they increase their charges. The unit is not in a flood area.

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)? :

We live in the Ingham area. there are different Insurance Companies here but because we all work every day time to scout around is limited. I have a feeling that most Insurance companies use the excuse that this is a flood and cyclone prone area to raise their prices

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?:

We do have the cover we want but are really complaining about the cost. To go from \$600, to \$800, to \$1100 and then to \$1900 per quarter for Body corporate fees makes ownership of a town house unaffordable

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?:

An Insurer's reputation is of prime importance. Their customer service is also of prime importance. After all, people pay large amounts of money for their service. I have had experience of Insurance companies taking far too long to tend to requests

5. Have you seen an insurer behaving in way that you think is unfair or confusing?

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The Insurance company presently charging us through our Body corporate is out of line with their costs.

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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No

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? :

I find that there is very little or no explanation of why prices increase the way they do .

it is easy to imagine that there are people in Offices in the large capital cities making decisions about the area where we live and generalising about weather conditions when they have no experience of what ACTUALLY happens

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?:

it is very difficult to look for cheaper policies. We see very little advertising for Insurance companies apart from those we see on t v. Have nor heard about the North Queensland Home Insurance website.

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?:

In our situation the Body Corporate makes a lot of the decisions. We realise that at meetings we can have a say and we will be making sure that this happens. I would like to think that they make every effort to do the best for the owners. However when questioned, they tell me that if they do not have a majority they make decisions. I think they should really do more to inform all tenants of decisions

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?:

There are Offices where we live but this is a thing we do not do on a regular basis. There certainly could be more information made available about how Insurance companies work and how they charge. As far as I know there is mail, phone and internet access in our area.

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?:

It can be difficult to obtain clear information from Body Corporate Managers. I consider that they should be far more transparent when it comes to informing strata unit owners.

We are really angry that they are able to take on an Insurance company that increases charges the way they do without spending time in more research

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?:

No

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? :

We have certainly considered changing Insurance companies and have made calls to the Body Corporate managers to this effect. Not many people have the time to firstly find where other companies are, how to get in touch. Price and coverage are important.

Insurance companies use the flood and cyclone definition all too widely. Lots of people in Ingham live in flood areas but they live in high set homes - the upstairs area is not affected by flood water. Insurance companies generalise and charge accordingly

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?:

N/A

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? :

As far as the Insurance on the Town House goes, Insurance could be lowered. It is in a flood free location and sturdy. we have never been offered monthly payments - the Body Corporate Managers charge extra if we do not pay their quarterly fee by the due date.

No, I have never seen any Policies offered to people with small amounts to insure.

On this point, instead of generalising and charging people who live in flood/cyclone areas more - why don't they ask if we suffered any damage and if there is none do not increase the charges.

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?:

We certainly will attend all meetings of the Body Corporate to make sure the managers do their best to seek lower Insurance costs

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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