

## Response ID ANON-DUXZ-42B6-9

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Do not publish my name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::

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? :

Price is important however the insurance cover, reliability and trustworthiness of the insurer are also important. Our premium has changed a lot and we have contacted the insurer several times regarding getting the premium down. We increased our excess for that purpose. We have recently discovered that the insured value has been increased by 6% annually by the insurer without being properly informed about that which has been one of the main drivers of our premium. We are currently in a dispute with our insurer in order to get refunded some of the excess premium we have been paying.

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)? :

There are different insurers but also plenty of negative stories about some of them when it came to pay-outs. At least our insurer Westpac has paid out with two saizable claims we have had.

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 are covered for flood and storm. The only thing we are worried about is that landslide damage due to the effect of rain is not covered.

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?:

Very much so. Although our insurer has paid out our claims, it has been quite a fight to make it happen. I also think they are NOT customer friendly and fair when

it comes to preventing clients from over-insuring. I think their system of 'automated indexation' which is not specified in detail in PDS or made clear with every renewal, is very much to the insurers advantage, not the insured.

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

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Yes, our own insurer in regards to the premium increases

**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?**

**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?:**

No, not yet

**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? :**

Yes, they could definitely make it a lot easier to understand what is happening to our premium and why. I think automatic indexation should be opted in for, it should be made clear with every renewal what the effect of it is compared to last years. They should mention that no-claim reduction has been withdrawn and how long that is for. They should specify what has driven up our premium in our region.

**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?:**

Have not heard about it.

**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, we did not use a broker. We were initially (10 years ago) quite happy with our insurer

**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?:**

Everything is done by phone with this insurer. Access is no issue.

**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?:**

na

**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 I have not. I would like to see information regarding the reliability of an insurer in dealing with claims. A sight that gives you insight which insurer you can trust.

**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? :**

I have not yet considered switching insurers but we may decide to do that. Standard definitions would be really helpful.

**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?:**

NA

**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? :**

I am not sure if 'cyclone safer' would make any difference to our premium. The focus is more on 'theft', breaking and entering.

**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 are in that proces now. We have increased our excess and recuced our insured value to lower the premium.

**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)**

**If you have a view or experience to share that you haven't already covered in another question, please tell us about it.:**

I would be interested to know if other people were not aware that the insurer was increasing our insured value with 6% on a yearly basis without them being aware of it.