

Response ID ANON-DUXZ-42RS-P

Submitted to Northern Australia Insurance Inquiry
Submitted on 2017-11-12 17:08:35

About you

What is your name?

Name:
Georgina Everson

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? :

Somewhat, however prices continue to rise every year. We currently have our excess set at \$5000 to reduce our annual premium to \$2450 for \$500k house insurance and \$70k contents. This is for basic house insurance, no extras attached such as accidental, glass breakage or motor burn out.

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)? :

For us, it was between Suncorp and CommonwealthBank. They were much the same. We have been with Suncorp for a long time. So we changed to commonwealth bank, as we have our mortgage with them.

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?:

Standard house and contents, includes flood, and storm damage.

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?:

Handling of claims are really important to us, we made a small claim with Suncorp, when we lived in Innisfail, post Yasi, and they didn't handle the claim process very well at all. It made us wonder why we even had insurance at all. Very difficult, stressful and lengthy process...

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

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Yes, Suncorp.

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, no feedback, just an instant increase in insurance premiums to recover their costs in a very short period afterwards. There is no such thing as rating one for life, as they can charge you what ever they like.

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? :

Never has a reason why the price increases. The only way we can decrease the premiums, is by making our excess really high.

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?:

Every year I shop around online, but there is not much choice, as some insurance companies would prefer not to insure these Far North areas, so they make the prices extreme, \$5000 plus...

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, I wouldn't know where to start or go.

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?:

A lot of insurance policies tell you what is covered, it can become cryptic when it explains what isn't covered.

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?:

N/a to us

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? :

Yes, because we weren't happy with how Suncorp dealt with a very small claim post Cyclone Yasi. Until this year, we have only had them as the only insurance we were able to afford, CBA prices have either finally match their prices or Suncorp's prices have finally risen as high as CBA prices, and we hear CBA has a good reputation. Suncorp not so much post Cyclones.

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?:

No, we are in a newer home in Cairns. And the risk of a direct cyclone hit is much lower than Innisfail. We ensured that when we bought a house, that it was out

of the 1 in 100 year flood zone in Cairns, with both flooding and dam breakage. We chose to live up a hill to reduce this risk.

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? :

Yes, they should send someone around to your home to do an insurance breakdown pre event, that way you wouldn't have to prove so much if you ever need to make a claim.

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?:

Work more, and increase our premium to the maximum available, so we are really covering ourselves for big claims only. Eg, total loss.

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:

Insurance companies seem very happy to take your money without doing much for it in the first place. It seems to be very hard to make a claim when you need to? And the process is not made very clear, helpful or supportive.