



Our ref: AA1000494
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Dear Interested Party

Financial Services Council application for authorisation AA1000494 – life insurance commitment – interested party consultation

On 9 April 2020, the Australian Competition and Consumer Commission (the **ACCC**) granted interim authorisation to the Financial Services Council (**FSC**) and its member life insurance companies to give effect to a commitment to ensure that frontline healthcare workers are not denied life insurance, will not be charged higher premiums and will not have benefits excluded, purely due to exposure, or potential exposure, to COVID-19 (the **Conduct**). The FSC proposes that the commitment will continue until at least 1 July 2020, and is seeking authorisation on behalf of its member life insurance companies to engage in the conduct for a period of 12 months from the date on which authorisation is granted.

The ACCC is seeking submissions on the conduct authorised in the interim authorisation and the subject of the FSC's substantive application for authorisation. In particular, the ACCC is interested in your views on two main issues:

- Firstly, if you have been directly impacted by the conduct authorised under the interim authorisation granted by the ACCC on 9 April 2020, what is your experience to date.
- Secondly, do you have any comments in relation to the likely public benefits and detriments should the ACCC authorise the conduct for 12 months from the date of authorisation, and whether any conditions should be placed on the authorisation.

Details on how to make a submission to the ACCC are provided below.

You are welcome to pass this letter on to others who may wish to make submissions. A full copy of the application for authorisation is available on the [ACCC's Public Register](#).

The application for authorisation

On 6 April 2020, the FSC lodged an application for authorisation to allow its member life insurance companies to implement a commitment that has the purpose of assisting and supporting Australian frontline healthcare workers.

Under this commitment, for new life insurance policies for relevant healthcare workers, exposure or potential exposure to COVID-19 will not of itself be used to:

- Decline an application for cover; or
- Charge a higher premium; or
- Apply a COVID-19 pandemic risk exclusion to any of the benefits offered.

The ACCC did not conduct a public consultation process in respect of the request for interim authorisation in light of the unprecedented circumstances impacting the economy and the compelling nature of the public benefits likely to result from the request for interim

authorisation. A copy of the ACCC's interim authorisation decision is available on the [ACCC's Public Register](#).

Request for submissions

If you intend to provide a submission please do so by **Friday, 15 May 2020**. Submissions should be emailed to adjudication@acc.gov.au with the subject 'Financial Services Council - AA1000494 - Submission'. In addition, should you wish to make a submission beyond 15 May 2020 in relation to your experience with the impact of the conduct, please contact the ACCC at adjudication@acc.gov.au or on the number below.

We recognise that the COVID-19 situation may be causing disruptions to your normal operations. For this reason we are taking a flexible approach to receiving feedback on the conduct. You may wish to contact us by phone to discuss your views or submission before the deadline.

If you would like to provide comments orally, please contact Kobi Maybury on 02 6243 1222 to organise a suitable time. Your submission will be placed on the ACCC's [authorisations public register](#) unless you make a request (with reasons) for us to exclude part or all of the submission from the public register (refer to [Guidelines for Excluding Information from the Public Register](#) for more information).

Timetable

An indicative timetable is below. This timetable is subject to change. The most up to date indicative timetable is available on the [ACCC's public register](#).

6 April 2020	Application for authorisation (and interim authorisation) lodged.
9 April 2020	Interim authorisation granted.
23 April 2020	Public consultation process begins.
15 May 2020	Closing date for submissions on the substantive application for authorisation from interested parties.
June 2020	Applicant responds to issues raised in the public consultation process.
July 2020	Draft determination
July 2020	Public consultation on draft determination including any conference if called.
September 2020	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Kobi Maybury on 02 6243 1222 or adjudication@acc.gov.au.

Yours sincerely



Gennady Kleiner
Director
Adjudication