

Response ID ANON-DUXZ-42XX-1

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Do not publish my name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? :

I did not know the price of insurance. It has changed somewhat after Allianz took over TIO. TIO's insurance covers disasters that are typical for NT.

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)? :

My own evaluation is that TIO/Allianz is the only insurer that covers disasters that are typical for NT. one insurer cover excludes flooding and cyclone damage.

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 total destruction of the house after a cyclone or such major event. I am not at all confident about whether I will get the relief that I am looking for given my previous experience with insurers. We had made a claim for malicious damage caused by tenants and we found out that we were not going to receive any coverage because of a technicality. We had to spend more than \$20,000 to cover the damages. Unfortunately, we find out about the limit of our coverage only when we make a claim!

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?:

Insurer's reputation is important. this will be based on them acting fairly and not hide behind technicalities.

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

It is the use of language and not the intent of a cover that can be confusing. for example, we had a case of what is malicious versus normal wear and tear. Although it was clear that the damages were malicious,my insurer refused to cover my claims.

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. the insurer does provide information but we do not have a choice other than going with just one insurer in NT.

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 a lot of effort to check policy coverage because of the fancy language that the insurers use. Often, I go with the known devil in preference to an unknown angel. Disaster coverage is provided only by TIO and all the other insurers do not cover for total damage in the event of a cyclone. To make matters worse, TIO was privatised.

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?:**

I have not tried going through a broker. The broker is not going to take responsibility if the insurer does not cover me for an event. I really do not see the point.

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?:**

TIO/Allianz has now fewer offices than before it was privatised. Everything is online or through telephone. I wonder how insurance is set up in remote areas where there is no internet or telephone coverage.

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 do not have strata insurance.

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?:**

I am not able to understand how one can measure the insurers' intent and commitment though tools and technology. I have used Tripadvisor with ranking provided by consumers and this type of naming and shaming may reduce the uncouth behaviour of insurers.

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 tried to switch and like I said before, there is only one insurer that covers an event such as cyclone and flooding. My question is intent - is the insurer going to look after in the case of an unfortunate event. No, we did not use a broker and the poor broker cannot fully vouch for the intent of insurers.

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?:

Our houses are built to code to withstand Cat 3 cyclones.

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? :

The insurer can actually could tell us what we should do to improve safety and integrity of our houses and how much the insurance will reduce as a result of it.

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 have always looked around for other insurers and there are only a few insurers that will have policies to suit any major weather event that is typical in NT.

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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