

HEST139QW

Insurance premiums

- a. Have you ever deducted insurance premiums from fund members for insurance policies that they are not covered by?
- b. Have you ever completed an audit to identify if insurance premiums have been deducted from fund members for insurance policies that they are not covered by?

Answer:

- a. We refer to our previous response. HESTA currently provides insurance cover for approximately 570,000 members. In rare circumstances there are possible scenarios where a member could have paid premiums and not been covered for insurance, such as eligibility (the trustee is not in a position to be aware of all individual circumstances which may impact on eligibility, for example, the member was never entitled to default cover because they had previously received a TPD or terminal illness benefit from another fund prior to their default cover with HESTA commencing) or published policy exclusions that may apply (for example, claim caused by war). As per our previous response any relevant incidents are managed through the Compliance Framework.

There have been no significant issues requiring reporting under the RSE and/or AFSL obligations.

- b. HESTA runs several insurance related audit programs designed to ensure members are receiving the correct insurance. Whilst HESTA has not undertaken any specific audit to identify if insurance premiums have been deducted from fund members for insurance policies that they are not covered by, the existing audit programs referred to in our previous response cover similar matters.