



Patron: His Excellency General the Honourable
Sir Peter Cosgrove AK MC (Retd)

14 August 2018

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
PO Box 6100
Parliament House
CANBERRA ACT 2600

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Dear Secretary,

Thank you for the further questions on notice in relation to the inquiry examining *Options for greater involvement by private sector life insurers in worker rehabilitation*. Please find below *beyondblue's* responses to these questions.

1. **Noting the issues raised in your submission, do you have any different views on life insurers having greater involvement in rehabilitation in the following two situations:**
 - a. **Where an injury illness occurs at or due to work and people have access to relevant workers compensation and other support mechanisms; or**
 - b. **Where an injury or illness is unrelated to work?**

It is *beyondblue's* understanding the FSC proposal would apply to people who are claiming on their income protection or TPD insurance outside of the workers' compensation system (i.e. where the illness or injury is unrelated to work). *beyondblue* does not have the technical or legal expertise to comment on the interactions between Income Protection insurance and Total and Permanent Disability insurance with workers compensation schemes. However, broadly speaking, the issues raised in *beyondblue's* previous submission include the power imbalance between an insurer and an individual, and the potential for an individual to feel pressured to undertake a particular course of treatment or return to work earlier than is appropriate. These are significant issues which could arise for anyone with a mental health condition who makes a claim, regardless of whether their condition arose within or outside of the workplace.

2. **Do you support greater involvement by private sector life insurers in worker rehabilitation before the life insurance industry has completed actioning the recommendations of the committee's Report?**

No. In particular, we believe that effective consumer protections, a co-regulatory approach, appropriate access to policy-holders' medical information and improved claims handling practices are fundamental

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components to establish before the life insurance industry expands into funding rehabilitation and medical treatment. The Committee's recent inquiry into the life insurance industry highlighted many issues across these areas, and the Committee's recommendations from this report should be implemented as a priority, prior to any legal or regulatory reform which is the subject of this inquiry.

Yours sincerely

George Harman
Chief Executive Officer