

ANZIIF

Claims Discussion Group

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INSURANCE OMBUDSMAN
SERVICE
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PS 139

- ASIC
- Guidelines for approval EDR schemes
- Criteria for approval:
Accountability, Fairness, Independence,
Accessibility, Efficiency and Effectiveness.
- Systemic issues
- Statistical Reporting to ASIC

Independent Review

- As a result of PS 139
- The Review examined IOS performance against the objectives of :
 - Accessibility;
 - Independence;
 - Effectiveness;
- Report, 21 submissions, results of surveys on website

Terms of Reference

Personal lines General Insurance

- Motor vehicle
- Home building
- Home contents
- Sickness and accident
- Consumer credit
- Travel



Changes to monetary jurisdiction



- Disputes after 1 June 2006
- Removal non-binding “recommendation”
- Increase limits to \$280,000



Service Provided



- Since 1991/92 resolved 22,000 disputes
- Received half million requests for information

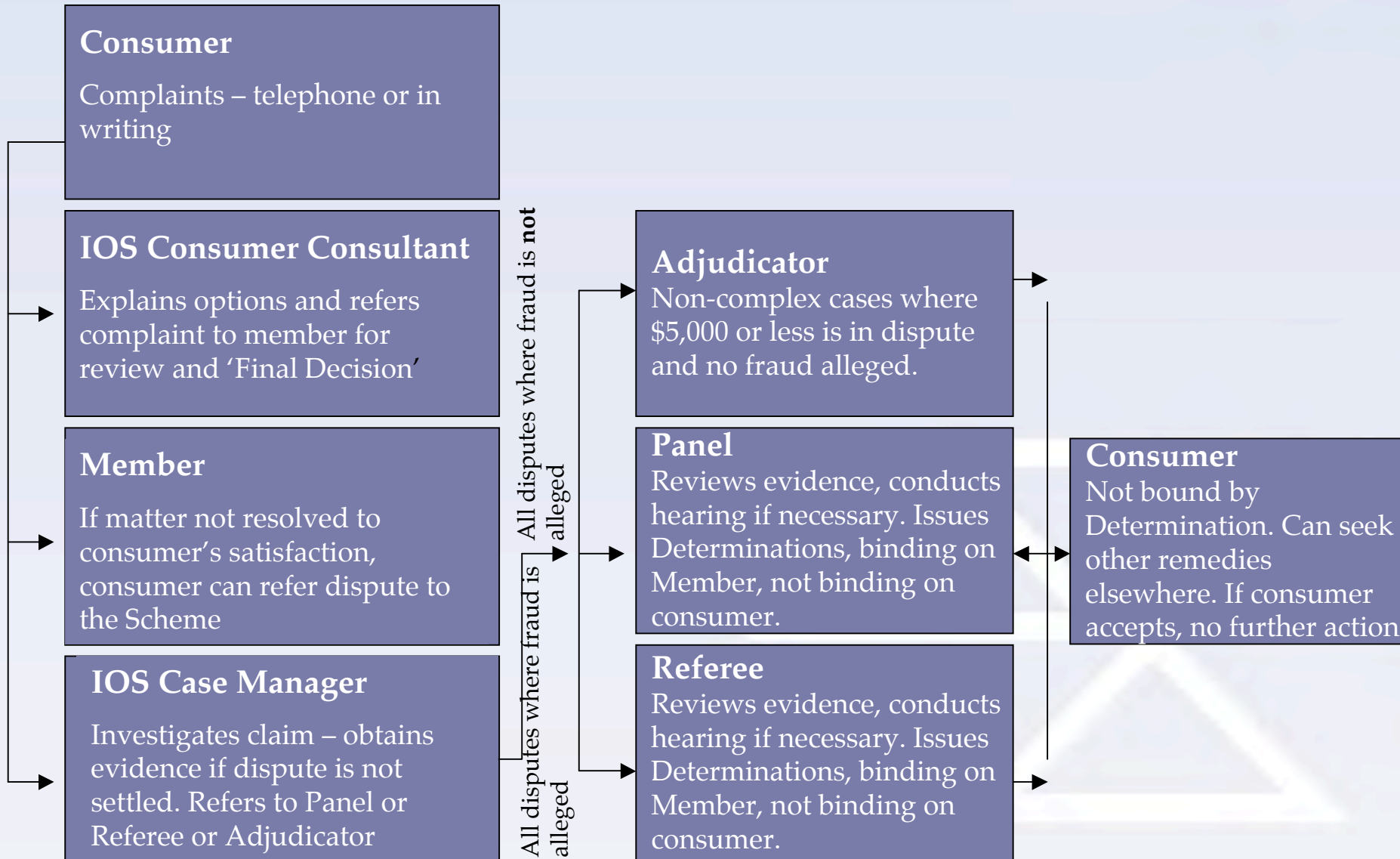


IOS Enquiries



Year	Number of Enquiries
2000-01	68,252
2001-02	75,487
2002-03	63,231
2003-04	67,545
2004-05	64,563
TOTAL	339,078

Complaints Flow Chart



Dispute Process

- Disputes dealt on papers
- Full exchange of information
- Fraud – Oral hearings
- Power to obtain expert opinion

Value of Disputes

	2004-05		2003-04	
	No. of Disputes	%	No. of Disputes	%
Up to \$3,000	583	35	594	34
\$3,001-\$5,000	253	15	200	12
\$5001-\$10,000	256	15	305	18
\$10,001-\$15,000	141	8	161	9
>\$15,000	348	22	382	22

Summary of Outcomes

Policy Type	Total	Applicant favour	Member favour	Settled	Unsuitable for resolution
Consumer Credit	15	47%	40%	13%	0%
Home Buildings	269	25%	60%	9%	5%
Home Contents	187	28%	45%	14%	12%
Motor Vehicle	561	29%	43%	15%	11%
Personal Acc.	87	36%	47%	16%	0%
Travel	240	23%	66%	9%	1%

Total Referral Outcomes

June-July	Number of Referrals	Determined		Unsuitable for resolution	Other Resolutions		Completed
		Applicant favour	Member favour		Settled	With-drawn	
2000 - 2001	2543	24.5%	49.6%	8.2%	16.6%	1.1%	2516
2001 - 2002	2557	28.3%	43.5%	6.6%	20.3%	1.3%	2551
2002 - 2003	2046	23.7%	48.5%	8.3%	18.6%	0.9%	2174
2003 - 2004	1734	29.8%	49.1%	6.1%	14.0%	1.0%	1810
2004 - 2005	1667	28.1%	50.9%	7.3%	12.8%	0.9%	1496
Total	10547	26.7%	48.0%	7.3%	16.9%	1.0%	10547

Courts on Expert Evidence



Evidence that is presented by a person who is an employee of a party to a dispute is going to be examined very critically to ensure that it is not provided solely for the benefit of the party relying on it.

Federal Court's Approach



Based on three principles:

- Overriding duty to assist the court on matters which relate to the expert's area of knowledge
- Not an advocate for a party to the dispute
- Paramount duty is to the court and not the party that retained them.

Federal Court's Approach



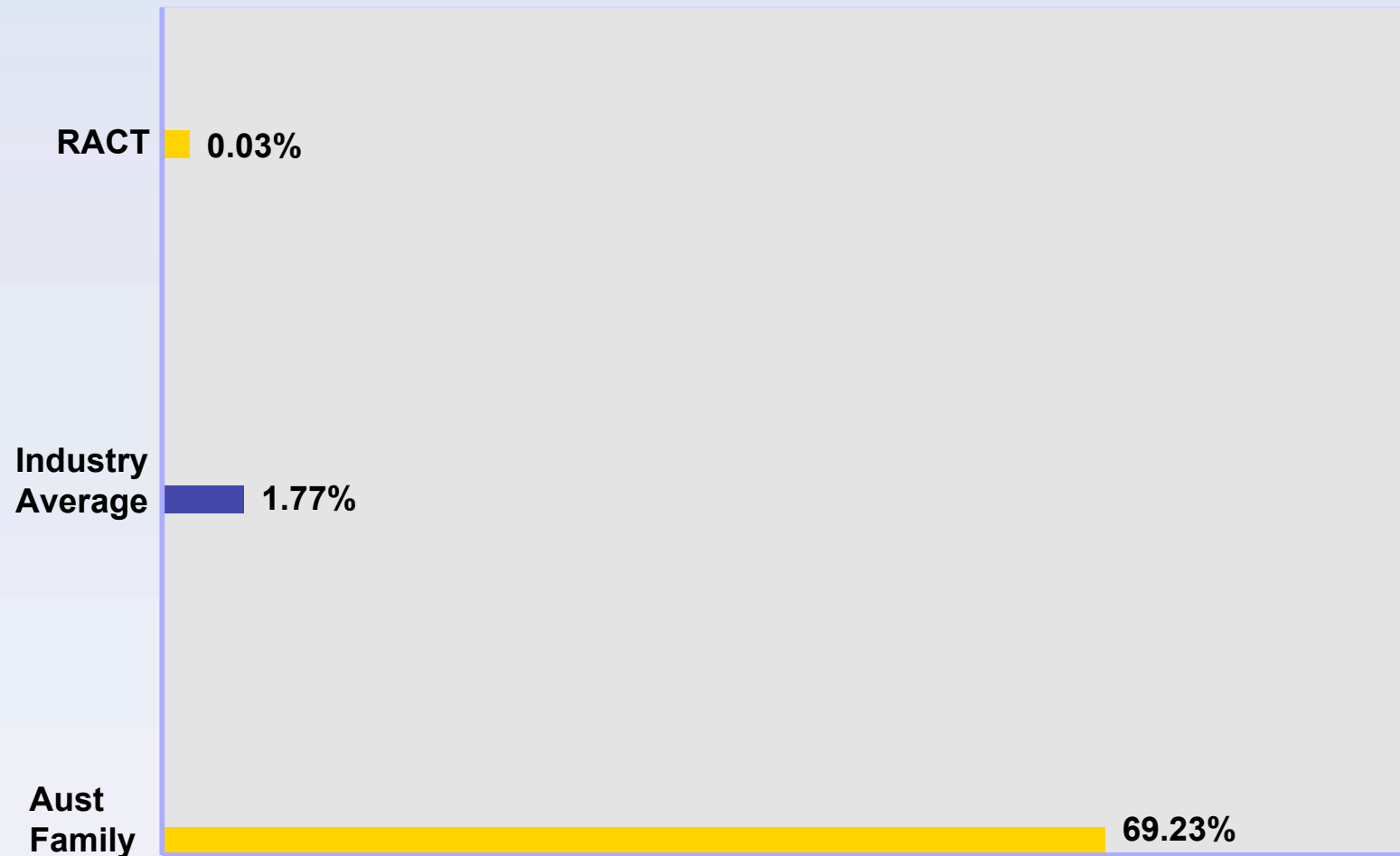
- Required to state that no matters of significance have been withheld
- All instructions given to the expert, facts, figures, and assumptions considered must be annexed.

Things to remember

- Onus of Proof
- Evidence
- Qualify Expertise
- Best evidence/ Quality of evidence
- Explain

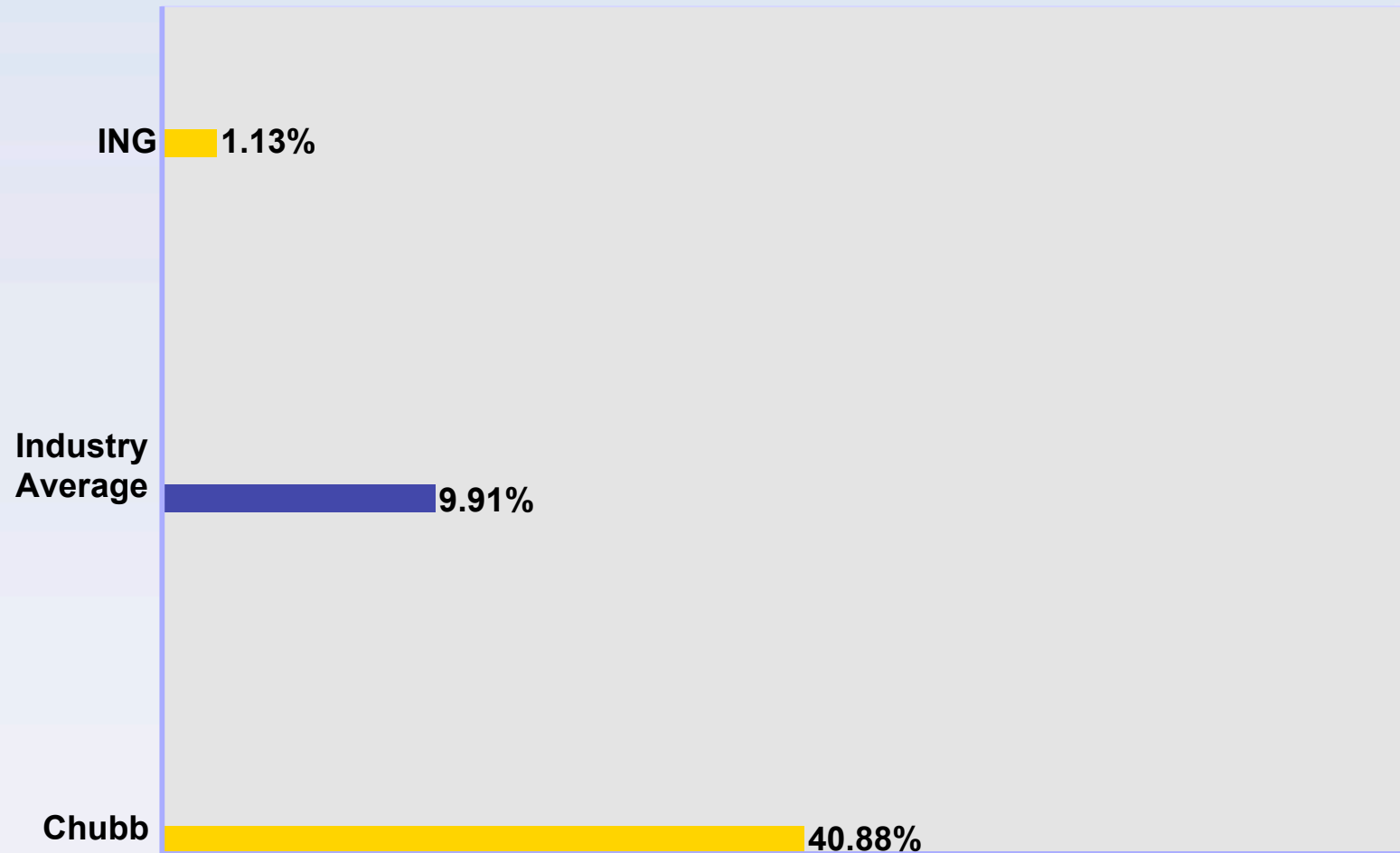
Percentage of Claims

Referred to IDR per Insurer 2004-05



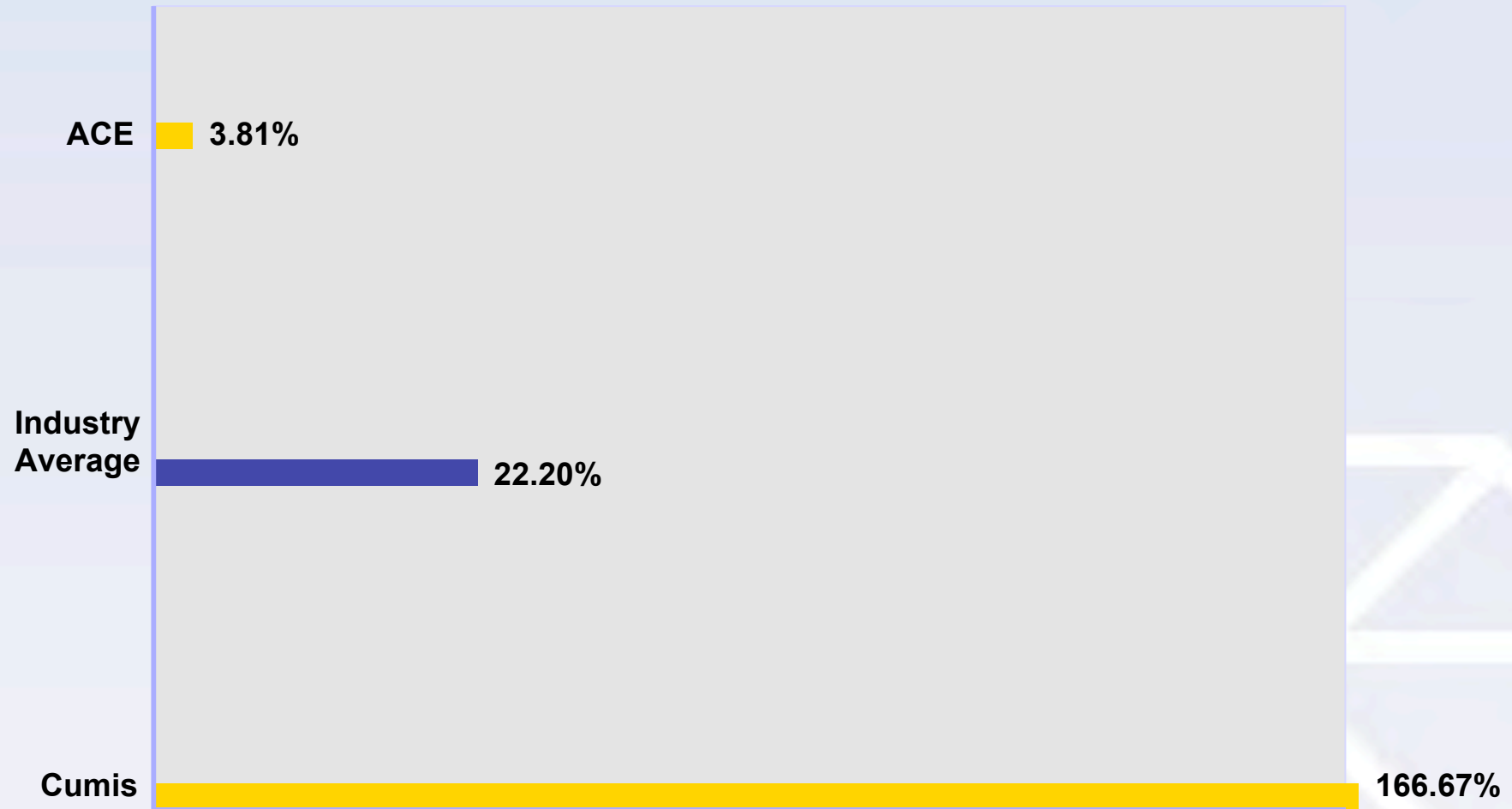
Percentage of Claims

Policies per member 2004-05



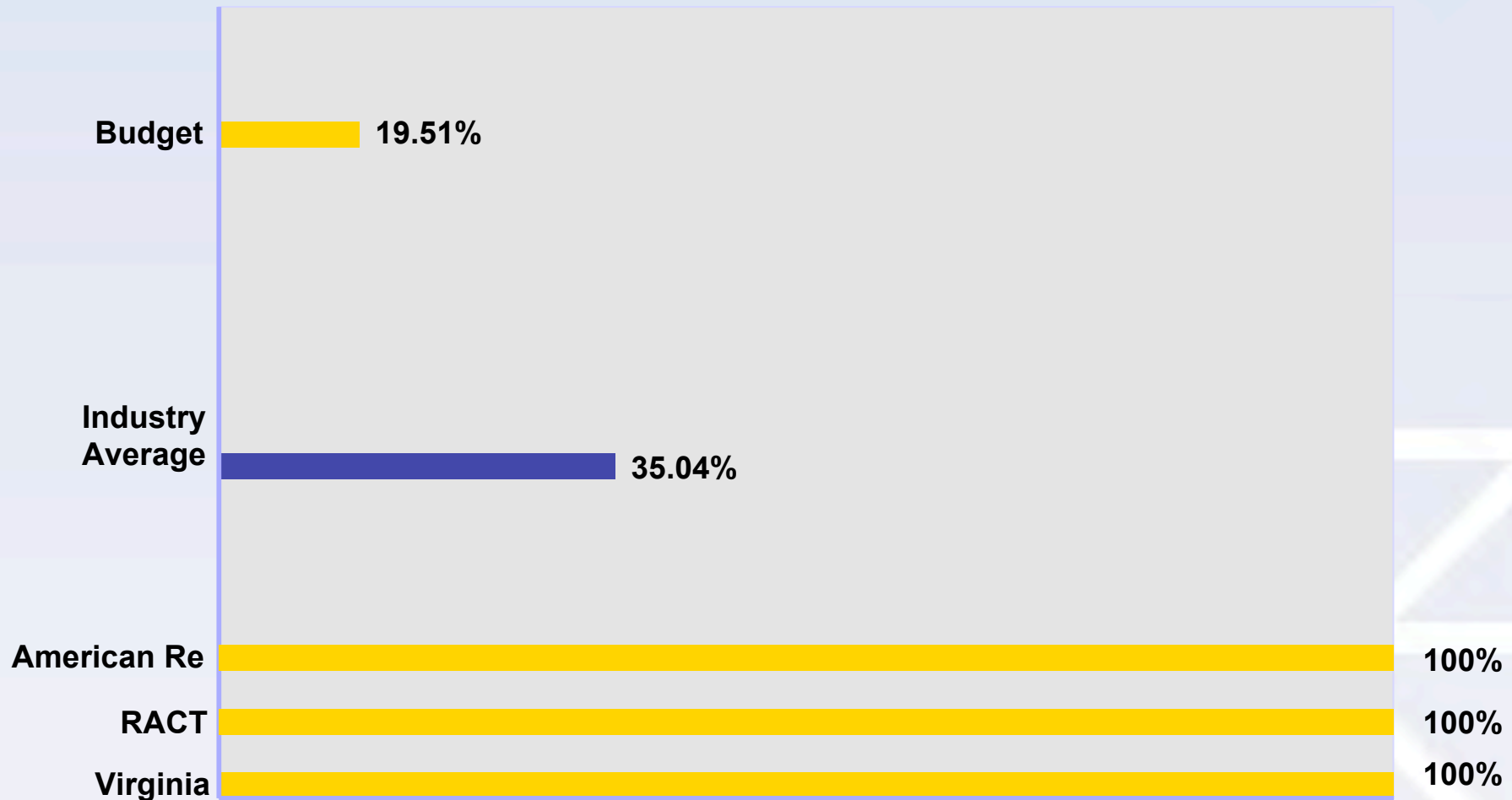
Percentage of IDR Decisions

Per Insurer referred to IOS 2004-05



Percentage of IDR Decisions

Per Insurer found in favour of consumer 2004-05




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INSURANCE OMBUDSMAN SERVICE

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Decisions made by the **Insurance Ombudsman Service** are only binding on the participating companies and not the consumers

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Can we help? Use this interactive tool to determine whether your dispute falls within our jurisdiction. This is just a guide.
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Latest Articles

Press Release - Simplifying insurance disputes - 20 March, 2006
After months of careful planning, the Insurance Ombudsman Service (IOS) launched its new website today.
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Press Release - Translation Poster - 20 March, 2006
The Insurance Ombudsman Service has today launched a translation initiative aimed at providing support for non-English speaking communities throughout Australia.
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Press Release - 30 January, 2006
The Insurance Ombudsman Service (IOS) has for the first time released details of the number of disputes between insurance companies and consumers, and how they were resolved.
[More](#)

Insurer Performance
First publication of Insurer performance.
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Independent Review Report
The Independent Review Report is now available
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Independent Review 2005
The Insurance Ombudsman Service has been reviewed by the Allen Consulting Group. For a detailed assessment into our operations...
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Publications



Terms of Reference

IOS Terms of Reference dated 17 November 2004, reflecting the change of name.

Amendments to Terms of Reference - 4 November 2005

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Annual Report

A detailed look at the disputes handled by the Service over the past 12 months.

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Articles

Articles of interest written by Decision Makers or IOS Management for journals and other publications.

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Dispute Wizard

Can we help? Use this interactive tool to determine whether your dispute falls within our jurisdiction. This is just a guide.

[Start](#)



eNews

Our monthly newsletter for participating companies and consumers alike - providing commentary from the



Presentations

Copies of addresses given by Decision Makers and IOS Management at various fora and conferences.



Determinations

Detailed outcomes of each individual dispute handled by the Service.

Questions



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INSURANCE OMBUDSMAN SERVICE May 2006