EDR Response Guide

Claim amount (General Insurance)

This guide has been prepared to assist financial firm in preparing a quality external dispute resolution (EDR) response for complaints about claim amount. This is a **guide only**.  
  
It is important to note the following:

* All issues raised in a complaint should be addressed. If there are multiple issues, please refer to the additional EDR response templates available or consider addressing them in a separate section as it is important that all issues are addressed.
* This is your EDR response. As such it is to be sent to both AFCA and the complainant. It is to the benefit of all parties for the complainant to understand the reason for your position.
* AFCA will generally seek more information if a complaint does not resolve at Registration & Referral. AFCA still expects a response to any subsequent requests for information.

This guide may change over the time to reflect any feedback.

To ensure a comprehensive response for claim amount complaints, an EDR response should include the sections outlined below

## Complaint summary

|  |  |
| --- | --- |
| Complaint details | |
| Financial firm name |  |
| Financial firm reference |  |
| Complainant name |  |
| AFCA reference |  |

## Policy Summary

|  |  |
| --- | --- |
| Policy Details | |
| Insured |  |
| Policy number |  |
| Policy type |  |
| Insured property |  |
| Excess |  |

## Complainant’s position

[Outline the financial firm’s understanding of the complainant’s position.

Include necessary background information including (but not limited to):

* claim amount
* any payments made to the insured.]

## Financial firm’s position

[Briefly outline the finical firm’s position in relation to each of the complainant’s issues].

## Financial firm’s reasons for position

Outline how you have considered all of the issues raised in the complaint and set out the financial firm’s reasons for its position, noting what information you have considered to reach this view. It is important you consider your obligations and whether you have met them.

The options below are examples, which will not always apply and require your amendment.

[Provide detail of whether the complaint is in regards to:

* the appropriate amount to settle the claim or
* the financial firm is seeking to cash settle the claim.]

In relation to complaints about claim amount, the financial firm should establish and provide details of the following:

**[The claim amount was assessed in accordance with the policy**

Explain the basis behind the financial firm’s decision to assess and settle the claim.

**The extent of the damage and evidence to establish the reasonable costs to repair the insured property**

Make reference to the assessment reports and any scope of works the financial firm is relying upon.

**Details of the repairer who gave the quote the financial firm is relying upon**

Ensure that your response includes details of the repairer who gave the quote the financial firm is relying upon and that the repairer is available to complete the work.]

## Jurisdictional issues?

Include the details of any jurisdictional issues the financial firm wishes to raise. Ensure you refer to the AFCA Operational Guidelines and any relevant approach documents.

Full details of the section of the AFCA Rules must be included to ensure that AFCA and the complainant understand the jurisdictional issue(s) being raised.

## Proposals to resolve the complaint

Set out any action the financial firm is willing to take/accept to resolve the complaint.

[If you require further information before you can offer a resolution, please provide details of what information is required].

## Supporting information

Include a list of all the supporting information provided.

In relation to a complaint about claim amount, the following information is usually required:

* List Bullet
* denial letter
* IDR response
* the certificate of insurance
* insurance policy booklet
* the product disclosure statement relevant at the time of the loss
* any claim form and supporting documentation
* a chronology of events, from when the financial firm became aware of the claim, to now
* any correspondence and system notes detailing all communication you had with the complainant in relation to the claim
* any assessment reports and colour photographs of the claimed damage
* any quotes, scope of works, details of cash settlements, if applicable
* confirmation from financial firm the repairer will complete the work
* transcripts of any statements
* expert reports
* investigation reports.

If other issues are raised, we offer a range of resources in the member resources section of the Secure Services portal. These include other EDR response guides, specific complaint topic guides and the Complaint Information Documentation guide.