EDR Response Guide

Life denial of claim

This guide has been prepared to assist financial firms in preparing a quality external dispute resolution (EDR) response for complaint about the denial of a life insurance claim. 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 denial of claim complaint, 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 | |
| Life Insured |  |
| Policy number |  |
| Policy type |  |
| Cover type |  |
| Sum Insured |  |
| Policy commencement date |  |
| Policy end date |  |

## 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 financial firm’s position in regards relation to each of the complainant’s issues].

If the financial firm has taken steps to attempt to resolve include details: (eg. the financial firm provided a response to the complainant, offering to [ ]. The complainant rejected the offer and said [ ].)

## 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.

In relation to all denial of claim complaint, AFCA will consider whether:

* the complainant has established a claimable loss under the policy
* the financial firm has specified the reason the financial firm is entitled to deny the claim.

## 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 the financial firm can offer a resolution, please provide details of what information is required].

## Supporting information

Provide a list of all the supporting information provided. In relation to a complaint about the denial of a claim, the following information is usually required:

* decline letter, review letter
* IDR response
* chronology of claim assessment process (including payment of benefits)
* the policy document including any PDS as at the policy start date
* the policy document (highlighting the policy clauses relied on to deny the claim)
* the policy schedule as at the policy start date
* the policy schedule identifying insured amounts as at date of disablement
* details of any policy upgrades
* initial and progress claim forms including attending doctor’s statement(s)
* all medical information obtained for the assessment of the claim (including letters of instruction from the financial firm to the consultant Specialist)
* reports (factual report, occupational/ rehab reports, and financial)
* details of legislative provisions considered when deciding to deny the claim
* other relevant information relied on to deny the claim.

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.