

April 2023

SUPPORTING OUR FUND PARTNERS **ASIC 760**

ASIC REP 760 Insurance in superannuation: Industry progress on delivering better outcomes for members.

TAL and our superfund partners have an important role to play in ensuring that the insurance provided through superannuation is appropriate, affordable and sustainable for the members of those funds.

Last month ASIC released [ASIC REP 760](#) - Insurance in superannuation: Industry progress on delivering better outcomes for members (ASIC REP 760) which examines progress made by superannuation trustees in improving their arrangements for insurance in superannuation since ASIC's public communications in 2019 and changes made following recent regulatory reforms.

Broadly, ASIC found the following key improvements by the 15 participating trustees:

- trustees have taken positive steps towards providing better value insurance cover for their members. Of the 15 participating trustees, 12 changed their TPD eligibility criteria so fewer members (1.3% compared to a previous rate of 4%) will be subject to the "activities of daily living" definition
- many trustees have taken steps to streamline their claims processes to make them easier for members to navigate, i.e. streamlining the process to lodge a claim, shortening lengthy claims forms and uplifting communication about what members can expect during the claims process
- trustees have improved the way they explain their insurance offerings, i.e. most of the 15 trustees have made changes to member communications, with seven recently conducting consumer testing of their communications processes and five having commenced providing members with an annual insurance statement.

Along with the recognition of trustees' progress, ASIC identified opportunities for further improvements of a specific nature communicated individually to relevant trustees and all trustees generally, such as:

- using data to monitor member outcomes from insurance and proactively identify how to better meet members' needs and provide value for money
- designing and delivering claims processes with a focus on member experience
- embedding a process to continuously improve member communications and processes in a way that supports members to understand their insurance cover and make good decisions for their circumstances, and
- ensuring trustees have robust systems, processes and controls to effectively administer their insurance arrangements.

We look forward to working with you to explore solutions to address ASIC's further recommendations.

Please get in touch with your Client Manager if you'd like more information.

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