

Media Release

11 February 2019

Confidence in Life Insurer Claims Payments Remains Strong – post Royal Commission

Exclusive research released today by NobleOak Life Limited (NobleOak) has revealed that confidence in life insurers paying claims has remained stable in spite of the findings of the Banking Royal Commission.

The survey¹, conducted in December 2018 amongst over 1,000 Australians, found that out of the respondents who have Life or Income Protection cover, 60.8% are either “reasonably confident”, “confident” or “very confident” that their claim payment would be made, with 10.9% “Not confident at all” (refer Table 1).

Anthony R Brown, CEO of NobleOak, said “We have been tracking consumer sentiment for the past three years and it is heartening to see that people’s confidence that life insurers will pay their claim has remained consistently strong.

It is even more encouraging, given the issues and concerns about claims handling raised by Commissioner Kenneth Hayne following the insurance hearings at the Banking Royal Commission last year. There is no doubt in my mind that all life insurers aim to pay legitimate claims, and at NobleOak we are fully committed to protecting Australians, especially in their time of need.”

The NobleOak research shows a high level of public confidence that the Life Insurance industry issues identified by the Royal Commission will be addressed and rectified after the report is delivered to the Federal Government in February 2019.

A total of 72.3%, or more than seven in ten, survey respondents said they had some level of confidence that the Royal Commission would lead to improvements and positive change. However, 27.8% were not confident the issues would be fixed.

The research further revealed that 41% of people said the findings of the Royal Commission would not have any impact on their actions. However, some 14% said they would not take out Life Insurance or would not renew their cover as result of the findings from the Royal Commission.

¹ Research conducted by Pureprofile in December 2018 with 1,043 Australian respondents.



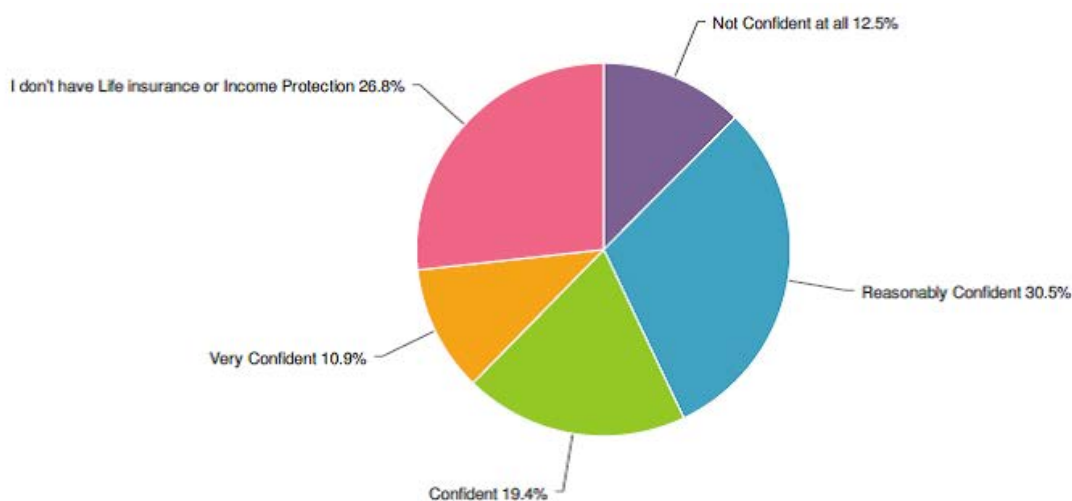
Mr Brown continued, “Trust is the foundation Life Insurance is built on. Without it people would not take out cover. The fact that so many respondents believe that the Royal Commission will lead to positive change is very encouraging.”

“Many people may not know that \$9 Billion was paid out in Life Insurance claims in 2016 (\$6 billion in 2015), with more than \$26 million being paid daily. ”

“Life insurance is a social responsibility, and operates in an ethical framework that is meant to benefit individuals, the wider society and businesses. Paying claims is what all Life Insurers do. The industry still has some work to do to achieve 100% consumer confidence but there should be no doubt that the necessary changes to re-build trust are underway.”

Table 1

How confident are you that your Life insurer would pay your Life insurance or Income Protection claim, should it be required?



Value	Percent	Count
Not Confident at all	12.5%	130
Reasonably Confident	30.5%	318
Confident	19.4%	202
Very Confident	10.9%	114
I don't have Life insurance or Income Protection	26.8%	279
Totals		1,043

Source:

Annual Life Insurance Claims Pass \$9 Billion for First Time

<http://riskinfo.com.au/news/2017/06/06/life-insurance-claims-pass-9-billion-in-single-year/>



About NobleOak Life Limited

NobleOak Life Limited (NobleOak), is one of Australia’s most established life insurers, and has been in the Australian market for over 140 years. NobleOak provides Life, TPD, Trauma, Income Protection and Business Expenses insurance.

NobleOak keeps costs low by providing fully underwritten cover, passing any savings back to their clients through reduced premiums, supported by outstanding personal service.

NobleOak is an Australian public unlisted company regulated by APRA, with products backed by a leading global reinsurer, Hannover Life Re. For more information visit www.nobleoak.com.au

NobleOak has a client satisfaction rating of 95% (2018 client survey) and is the winner of the 2016, 2017 and 2018 Canstar 5 Star Awards for both Premium Life Direct cover and Income Protection.

NobleOak was the winner of the Life Insurance Company of the Year from the RFI Group Australian Insurance Awards 2018 and received the award for Life Insurance Product - Innovation of the Year for its online calculator.

In addition, NobleOak received the Strategic Insights Overall Direct Life Insurance Excellence Award for 2018 and was a finalist for the Term Life, Trauma – Rider and Trauma award. In 2018 NobleOak received the Gold Trusted Service Award from Feefo in 2018.





Media Enquiries

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