



MEDIA RELEASE

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MENTAL HEALTH CLAIMS DATA REVEALED AT FSC LIFE CONFERENCE

The Financial Services Council has highlighted new life insurance data on mental health as part of a four-year, industry funded data project at its annual Life Insurance Conference in Sydney today.

“Up until now, the life insurance sector has had no industry approach to the collection of aggregate industry data, which has been a major challenge and constant frustration,” FSC CEO Sally Loane said during her [opening address](#) this morning.

“Preliminary findings of the data show in 2017-18, there were more than 102,000 claims on death, trauma, total and permanent disability, income protection, consumer credit insurance, funeral and accident with 92 per cent of those claims paid in the first instance.

“This project gives the life insurance industry a tool to better articulate the type and number of claims paid and enables the industry to understand patterns as they emerge.”

Australian Prudential Regulation Authority data shows that \$10 billion is paid out across all categories of claim annually.

“While sometimes hard to address, it is however very important to note that mental health conditions rank third in the top 10 causes of claim across all life insurance categories,” Ms Loane said.

“Under life insurance disability claims, mental health accounts for 20 per cent, which is second only to accidents.

“Population studies show, 22 per cent of all disabilities in Australians result from a mental health condition, similarly, FSC figures show 20 per cent of all disability claims are due to a mental health condition.

“In this initial analysis it shows overall Australian insurers are paying out mental health claims at the same rate as they are occurring in our community - in other words, they are not lagging.”

In the future, the FSC hopes to be able to break information down by gender, age and geographical location.

The multi-million project is being collected by KMPG on behalf of the FSC with data collected from 19 FSC life insurance members contributing, with a further three providing financial support and four members participating for the first time.

Life insurance categories include death, trauma, Total & Permanent Disability or TPD, Insurance Protection or IP, CCI, funeral and accident.

The FSC's Life Insurance Conference is being held at the Hilton Hotel in Sydney today. A range of speakers are addressing the conference throughout the day, including:

- Assistant Treasurer Stuart Robert MP
- Jason Falinski MP
- Matt Thistlethwaite MP
- Anne Brown, Chair Life Code Compliance Committee
- CEOs and senior leaders from FSC member life insurers
- The Australian Prudential Regulation Authority
- Janet Anderson, CMO, Lapetus Solutions
- Dr Connie Henson, Director, Learning Quest

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About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing almost \$3 trillion on behalf of more than 14.8 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the fourth largest pool of managed funds in the world. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.