



JOINT MEDIA RELEASE

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GROUP INSURANCE STATEMENT OF INTENT

Australia's superannuation bodies comprising the Association of Superannuation Funds of Australia (ASFA), the Australian Institute of Superannuation Trustees (AIST), the Financial Services Council (FSC), the Industry Funds Forum (IFF) and Industry Super Australia (ISA) share a common belief in the following principles underlying group insurance in superannuation:

1. Group insurance in superannuation has been a successful policy for Australia which has resulted in better risk protection for Australians from all walks of life.
2. It provides a safety net to millions of Australians who would have otherwise not chosen or been unable to take out life and disability insurance individually.
3. Automatic default cover in superannuation, provided to members on an opt-out basis, has helped combat the problem of underinsurance in Australia.
4. Superannuation trustees and group insurers must work together in order to achieve the most sustainable benefits for members.
5. The following initiatives have been undertaken over the past 18 months as part of the industry's commitment to sustainable, high quality group insurance cover:
 - FSC's Life Insurance Code of Practice, to be released on 11 October, which places binding obligations on life insurers
 - ASFA's Protocols for superannuation TPD Claims
 - IFF's group risk insurance management framework, which addresses issues such as automatic acceptance levels, TPD definitions, fee arrangements for lawyers and data
 - The IFF-led Insurance Data Standards working group
 - AIST Insurance Community of Interest initiative to consolidate benefit design, practice, system and data issues
 - FSC/AIST/IFF/ISA jointly-developed guidance note: *Best Practice for Group Insurance Data Collection*

Group insurance in superannuation is fundamentally the right policy setting for millions of Australians but it can be improved. We intend to build on these current initiatives to consolidate our efforts in future iterations of industry policy development.

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