

30 March 2017

MEDIA RELEASE: Genetic testing and family history Standards improved

The Financial Services Council has made important updates to two of its compulsory Standards for life insurance members.

Standard 11, which determines how insurers use genetic test results; and Standard 16, which deals with how family medical history information is handled, have been reviewed and updated to ensure consistency with current definitions and legislation that impact on the life insurance industry, privacy and pathology testing. The updates are designed to ensure the Standards remain relevant to consumers as scientific advances are made.

Standard 11 – Genetic Testing Policy, has been in place for FSC members since 2002. It aims to facilitate an efficiently-functioning life insurance industry that remains sustainable in the long term, while also recognising the industry’s social responsibility to not hinder the ongoing advancement and adoption of new medical knowledge and technologies that could potentially improve individual and public health outcomes.

The Standard also recognises the sensitive nature of genetic test results and the potential impact on customers who receive adverse results. Members are required to meet the highest standards in relation to the handling of genetic test results and genetic information within their life insurance operations.

Standard 16 – Family Medical History Policy, has been in force since 2005. It specifies standards and policies for the handling of family history results by life insurers.

FSC CEO Sally Loane said: “In addition to ongoing compliance with legislative and regulatory requirements, there are ethical business principles and practices that need to be observed to deliver high standards of individual and collective conduct in the operation and management of a member’s life insurance business.

“These new revised Standards are part of an on-going self-regulation agenda for the life insurance industry and the FSC. Consumers rightly expect consistency between product providers and a high level of service. Mandatory, industry-wide minimum standards aim to provide both.”

The Standards have been revised in consultation with Associate Professor Kristine Barlow-Stewart, Director of the Master of Genetic Counselling at The University of Sydney.

“These updated Standards are an important step towards ensuring that people are not dissuaded from participating in crucial scientific research in the field of genetics because they fear the impact it might have on their ability to get life insurance for themselves or their children,” Professor Barlow-Stewart said.

“I welcome the opportunity to work with the FSC and look forward to consulting with them again on future iterations of the Standards.”

The FSC continues to consult with industry and external experts to ensure that all of its Standards are consistent with the long-term sustainability of voluntary life insurance as well as consumer interests.

ENDS

For further information please contact FSC Media Manager Mark Smith on 0434 566 764 or msmith@fsc.org.au.

About the Financial Services Council

The Financial Services Council represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The Council has over 100 members who are responsible for investing more than \$2.7 trillion on behalf of 13 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 third largest pool of managed funds in the world. The Financial Services Council promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.