

FSC Standard No. 21

Mental Health Education
Program and Training
August 2013



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July 2018

FSC Membership this Standard is most relevant to: This Standard is relevant to FSC Members broadly. However, it is of particular relevance and binding upon FSC Members who are APRA registered life insurance companies or have a subsidiary that is a registered life insurance company.

Date of this version: This Standard was issued on 22 August 2013, and commences from 1 September 2013.

History (prior versions) of this Standard: No prior versions.

Main Purposes of this Standard: The purpose of this Standard is to ensure individual representatives or entities authorised by a life insurer to provide information to consumers in respect of the management of a FSC Member's life insurance products receive an appropriate level of education and training in relation to 'mental health' awareness. This Standard also requires the Member to review the effectiveness of the Member's Mental Health Education Program designed to ensure mental health awareness among such representatives or authorised entities.

This Standard is to be read in conjunction with the Life Insurance Code of Practice, Standard 11, Standard 16, Standard 24, Standard 25, Standard 26, Guidance Note 11, Guidance Note 32, Guidance Note 33.

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1. Title

- 1.1 This Standard (the **Standard**) may be cited as FSC Standard No. 21 *Mental Health Education Program and Training*.

2. Definitions

In this Standard:

- **Applicant** means the person applying to be insured;
- **APRA** means the Australian Prudential Regulation Authority;
- **Insurer** means a *Member* which is a registered life insurance company or any subsidiary of a *Member* that is a registered life insurance company;
- **Life Insured** means the person who is the life-to-be-insured or the life insured by an insurance policy;
- **Member** means a member of the Financial Services Council Limited (**FSC**).
- **Mental Health concern** is a term used to describe a range of clinically diagnosable disorders that cause impairment, either temporarily or permanently, on the cognitive, emotional, or behavioral functioning of a person. These may be caused by social, psychological, biochemical, genetic, or other factors, such as infection or head trauma; irrespective of actual disablement or ability to undertake employment. Examples of these disorders may be found in the most recent version of the American Psychiatric Association Diagnostic Statistical Manual of Mental Disorders version 5.

The terms **Mental Health problem**, **Mental disorder**, **Mental illness** or **Mental Health condition** may also be used and have a similar meaning.

- **Mental Health Education Program** means the Member (or Insurer's) Program designed to ensure awareness of *Mental Health concerns* among *Representatives*, such Program being constituted by training of *Representatives* as set out in Section 9 of this Standard.
- **Representative** means any person or entity authorised by the *Insurer* who may be required, in the course of performing their/its role to engage or interact with consumers in relation to the products and services of a *Member's* life insurance business.

Representative may include but is not limited to claims and underwriting staff, call centre operators, customer service officers and financial advisers/planners directly employed by a *Member*.

3. Date of issue

- 3.1 This standard was first issued on 22 August 2013.

4. Effective Date

- 4.1 This Standard should be applied in relation to a *Member's* operations on or after 1 September 2013. Earlier application of this standard is permitted and encouraged.

5. Application of this Standard

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- 5.1 This Standard applies to all *Members* that are a registered life insurance company or have a subsidiary that is a registered life insurance company.
- 5.2 All life insurance companies registered by APRA who are not FSC *Members* are encouraged to follow this Standard.
- 5.3 Where there is a conflict between the requirements of this Standard and any applicable legislation, the requirements of this Standard should, having regard to the purpose of the Standard, be modified appropriately so that, as far as is practicable, the registered life Insurer complies with the requirements of this Standard.
- 5.4 This Standard should be read in conjunction with FSC Standard No. 1 *Code of Ethics & Code of Conduct*.

6. Statement of Purpose

- 6.1 In 2011-12 three million Australians reported having a mental and/or behavioural condition.¹ Recent research also indicates that mental illness may be experienced by 45% of the Australian adult population at some point over their lifetime. This Standard has been developed in light of the significance and prevalence of *Mental Health concerns* within the community. Its purpose is to ensure *Representatives of Members* are equipped with the knowledge and skills to engage with consumers of life insurance products and services who may have experienced *Mental Health concerns*.
- 6.2 The purpose of this Standard is to specify minimum requirements for the mental health awareness education and training of *Representatives of Members* in the operation of its business practices.
- 6.3 This Standard is not intended to prescribe a particular training program, provider or training schedule.
- 6.4 A variety of legislation, including the *Disability Discrimination Act 1992 (Cth)*, *Privacy Act 1988 (Cth)*, and *Insurance Contracts Act 1984 (Cth)* imposes requirements on *Members* in relation to an *Insurer's* engagement with consumers. Therefore *Members* should closely monitor their obligations on an ongoing basis.
- 6.5 In addition to meeting regulatory requirements, businesses may have other principles and practices that they must follow in order to maintain a high standard of conduct in the operation and management of a *Member's* business.
- 6.6 This Standard, while based on the goal of an efficiently functioning and sustainable life insurance industry, also acknowledges the industry's social responsibility to support the advancement and adoption of medical technologies, which improve health outcomes in the community.

7. Mental Health Education Program

- 7.1 The *Member* (or *Insurer*) must implement a *Mental Health Education Program*. The Program must cover the matters set out in section 8 (*Mental Health Education Training of Representatives*) and the Program must be reviewed annually by the *Member* or *Insurer* as set out in section 7.2.
- 7.2 The Mental Health Education Program must be reviewed annually by the *Member* or the *Insurer* to ensure its effectiveness in achieving the objective of ensuring awareness among *Representatives of Mental Health conditions* as well as awareness of the causes, signs and symptoms of common *Mental Health conditions*.

¹ Australian Bureau of Statistics, Australian Health Survey: First Results 2011-12, cat. no. 4364.0.55.001, 2012.

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7.3 **(Annual review of effectiveness of the Mental Health Education Program):** The *Member* or *Insurer* must confirm annually to FSC (as part of the annual sign-off of compliance with FSC Standards) that the *Member* (or *Insurer*) has undertaken a review of its *Mental Health Education Program* and that the *Member* or *Insurer* is satisfied that the Program is designed and effective to ensure that *Representatives* are provided with training, in respect of *Mental Health conditions* and the causes, signs and symptoms of common *Mental Health conditions*. (To avoid doubt, the first annual sign-off to FSC is required in respect of the FSC Compliance Year ending 30 June 2014, and this first sign-off must cover the period from the commencement of the operation of this Standard (namely, 1 September 2013) until 30 June 2014.)

8. Mental Health Education Training of *Representatives*

8.1 Mental health education and training modules completed by *Representatives* must demonstrate learning objectives that:

- increase general awareness and understanding of the causes, signs and symptoms of common *Mental Health conditions* in the community;
- increase understanding of what it is like to have a *Mental Health concern*; and
- develop communication skills for interacting with consumers who may have *Mental Health concerns*.

8.2 The *Member* must ensure it has an effective *Mental Health Education Program* designed to ensure that *Representatives* receive ongoing training that meets the training objectives outlined in 8.1. It may be appropriate for differentiation in the depth of detail of the training provided with reference to the role that the *Representative* (or category of *Representative*) undertakes and their exposure to potential customers and existing policyholders with Mental Health concerns.

8.3 Members should ensure that those *Representatives* who are dealing with applicants or insured persons on a regular or ongoing basis or who require additional knowledge for their role have supplementary job-specific education. This should include module(s) of structured and specific training in relation to:

- communicating the process and outcome of insurance applications that involve the disclosure of a *Mental Health concern*; and
- managing a policyholder's claim with *Mental Health conditions/concerns*.

8.4 The *Mental Health Education Program* must contain procedures designed to ensure that all *Representatives* undertake the mental health education module(s)/training:

- (a) In the case of existing *Representatives* as at 1 September 2013 (which is the date of commencement of this Standard), as part of the *Member/Insurer's* training or professional development program;
- (b) In the case of any new *Representative* after 1 September 2013, as part of an employee (or *Representative*) induction program following the *Representative's* commencement of employment by the *Member/Insurer* (or commencement as a *Representative* of the *Member/Insurer*); and

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- (c) In the case of all *Representatives*, attend additional courses, as required by their employer (or organisation for whom the *Representative* is authorised) for the *Representative's* role as part of their continuing professional development.
- 8.5 *Members* must keep themselves informed of wider developments in the Mental Health community likely to affect insurance and risk assessment, such as via relevant courses and publications.
- 8.6 *Members* must provide *Representatives* with sufficient information and training so that *Representatives* can reasonably be expected to understand the content and requirements of this Standard so far as it relates to the particular role and responsibilities of the *Representative*.
- 8.7 The *Member's Mental Health Education Program* must contain procedures in respect of monitoring *Representatives' awareness* and understanding of *Mental Health concerns*. Where the *Member* identifies deficiencies in the effectiveness of the *Member's Mental Health Education Program*, the *Member* (or *Insurer*) must take prompt action to rectify the deficiency so as to ensure the *Member's Mental Health Education Program* is effective to achieve the training objectives of ensuring awareness among *Representatives* of *Mental Health concerns*.
- 8.8 **(Certifying compliance with this Standard):** *Members* compliance with the Standard must be certified annually in accordance with FSC Standard No 1 *Code of Conduct & Code of Ethics*. Such annual certification must include:
- (a) sign-off on the review of the effectiveness of the *Member's Mental Health Education Program* (see section 7.3 of this Standard); and
 - (b) also identify the percentage of *Representatives* who have undertaken and successfully completed the mental health education and training outlined in this Standard. (This information may be used by FSC on an aggregate basis for public relations purposes and/or for engagement with bodies supporting community awareness of *Mental Health concerns* and the support of those suffering a *Mental Health illness*.)

(To avoid doubt, the first annual certification to FSC is required in respect of the FSC Compliance Year ending 30 June 2014, and this first sign-off must cover the period from the commencement of the operation of this Standard (namely, 1 September 2013) until 30 June 2014.)

9. Appendix - list of training providers and other resources

- 9.1 The *following* is a non-exhaustive list of training providers² and additional resources that may be suitable to deliver the requirements of this Standard:
- *beyondblue* (www.beyondblue.org.au)
 - Black Dog Institute (www.blackdoginstitute.org.au)
 - Centre for Mental Health Education (www.cmhe.org.au)
 - Lifeline (www.lifeline.org.au)
 - Mental Health at Work (www.mhatwork.com.au)
 - Mental Health Council Australia (www.mhca.org.au)
 - Mindmatters (www.mindmatters.edu.au)
 - SANE Australia (www.mindfulemployer.org)
 - SuperFriend (www.superfriend.com.au).

² The inclusion of training providers in this Standard does not imply FSC endorsement of these providers.