

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Commonwealth Bank of Australia

CBA62QW:

Did the claims review in the Deloitte report examine declined claims for income protection insurance?

Answer:

No. The Deloitte Claims Review (Lump Sum Claims and Claims Handling) covered benefit types that were the focus of media allegations in early 2016.

Deloitte's review of Commlnsure's claims handling processes included income protection. This review assessed the current and planned improvements to the design of Commlnsure's claims handling processes to determine whether these could systemically deliver poor customer outcomes. Deloitte did not identify any evidence that the current and planned improvements to the claims handling processes are designed in a way that could systemically deliver poor customer outcomes, either financially because claims are incorrectly declined or through a poor customer experience in how a claim is managed.

A review is being undertaken in relation to declined income protection claims as part of the response to the ASIC broader industry review.