

Options for greater involvement by private sector life insurers in worker rehabilitation (October 2018)

Recommendation 1 3.113 The committee recommends that the Australian Securities and Investments Commission undertake a thorough investigation of the use of in-house rehabilitation services in the life insurance industry to determine whether all the concerns, (including inappropriate financial incentives) regarding the Financial Services Council's proposal have been resolved for the current non-medical rehabilitation services.	The Government notes the recommendation.
Recommendation 2 3.115 The committee recommends that the life insurance industry be required to disclose all of its discretionary, off-contract arrangements to the Australian Securities and Investments Commission and that these arrangements be examined.	The Government notes the recommendation.
Recommendation 3 3.148 The committee recommends that the government and the life insurance industry implement the committee's recommendations from its report on the life insurance industry.	The Government notes the recommendation.
Recommendation 4 3.182 The committee recommends that the government conduct a holistic analysis of the sustainability of the life insurance industry that considers all key elements of the issue, including the reasons for the prudential issues and options for reform.	The Government notes the recommendation and that sustainability issues have been progressed by APRA through its individual disability income insurance sustainability measures and the Government's legacy product rationalisation initiative.
Recommendation 5 3.188 The committee recommends that the government not proceed with the Financial Services Council's proposal.	The Government notes the recommendation.