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Toka Tū Ake EQC
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Submission on the Code of Insured Persons' Rights

Tēnā koutou

Age Concern New Zealand He Manaakitanga Kaumātua Aotearoa welcomes the opportunity to submit comments on the draft *Code of Insured Persons' Rights*.

Age Concern New Zealand **supports** the development of a *Code of Insured Persons' Rights* to outline the standard of service insured people can expect from Toka Tū Ake EQC. The management and settlement of claims after a natural hazard event, such as an earthquake or landslide, is important to any insured homeowner. There is also potential for an insured person to face the distressing impact of multiple natural hazard events. This is challenging for anyone, especially for many older New Zealanders and people with disabilities.

Aotearoa has been experiencing severe weather events which are extremely challenging for people living in affected communities and for the organisations that support those communities.

Cyclone Gabrielle in February 2023 was one of New Zealand's worst weather disasters with the North Island experiencing extreme rainfall and flooding, wind damage, and storm surges across the North Island.¹ Some regions are being hit repeatedly by severe weather events and there are many learnings that can help shape our preparation and response to future natural hazard events. The impact of climate change is affecting the severity and frequency of emergency weather events. This makes it imperative that dealing with home insurance claims is straightforward with clear processes, timelines and accountabilities.

Age Concern New Zealand's submission comments focus on issues for older people in regard the questions you are asking about the draft Code.

¹<https://blog.metservice.com/TropicalCycloneGabrielleSummary#:~:text=Head%20of%20Weather%20Communications%20Lisa,impacts%20to%20the%20North%20Island.%22>



Who we are

Age Concern is a trusted charity working in local communities throughout Aotearoa to support older people, their friends and whānau. Our values – Dignity, Wellbeing, Equity, and Respect for older people are our guiding lights and underpin everything we do. We aim to ensure older New Zealanders get the best advice and support no matter where they live in Aotearoa. With a network of 30 local Age Concerns operating in 40 locations, and a national office based in Wellington, we are the place to go for services and information about getting older.

We are proud of our heritage in standing up for the rights of older New Zealanders for more than 75 years. As an organisation, our focus is on contributing to the overall wellbeing of older New Zealanders. We work to prevent the abuse and neglect of older adults; improve their health and wellbeing; end loneliness and social isolation; and advocate for older people's rights.

Background

Older New Zealanders are a diverse, resilient and valued part of every community. The over 65 population is growing across all ethnicities with Asian, Māori and Pacific older populations growing at significant rates. Older women living alone are another group that is rapidly increasing. New Zealanders in general are living longer; and within a decade, it is estimated there will be 1.2 million people aged 65+, over a fifth of the population. This needs to be taken into consideration when finalising the Code and when insurers are dealing with home insurance claims after natural hazard events.

Some of the older adults in our communities will need greater support and help when making an insurance claim after a natural hazard event. Older people are not all the same, any more than any other population group. However, older people that are frail, have a disability or live alone may require extra support throughout the process.

Older adults may not use digital technology as regularly as others, or at all, which is a disadvantage at a time where much information and many forms that need completing are online.

Dealing with damage or loss to your home, finding new accommodation and dealing with insurance claims are challenging processes for anyone to negotiate. It can be especially distressing for older adults and can lead to a sense of isolation as well as an erosion of their limited savings, with no chance of them regaining a sound financial position.



In 2022, the Retirement Commission Te Ara Ahunga Ora reported that New Zealand Superannuation is the sole income for 40% of over 65 years olds, with a further 20% having very little additional income.² For insured persons living on low fixed incomes a fair, transparent and speedy process for processing home insurance claims after a natural hazard event is vital. Perceptions about timely processing when you're 85 are likely to be different to perceptions of timeliness when you're 25 years of age. That said, insurance claim delays after a natural hazard event are tough on homeowners of all ages.

We will comment further on some of these issues in our responses and recommendations, based on our experience of working with older adults across Aotearoa.

Our Comments

Generally Age Concern New Zealand **supports** the provisions and rights outlined in the draft Code.

The issue we see is more with how effective implementation of the Code will be measured or assessed. The intent is laudable and pleasing to see, but implementation comes down to multiple home insurance providers interacting with a wide range of people, who will likely be under considerable stress at the time. Training and a monitoring framework of some form will be needed to ensure the Code lives up to its aim and intent.

We offer the following comments and recommendations about the insured persons' rights that have been identified in the Code.

Rights of insured persons and obligations on the Commission

Right one:

You have the right to be treated with dignity and respect.

Obligations on the Commission:

- a. We will treat you with honesty and courtesy.
- b. We will act transparently and with integrity.
- c. We will listen to you and consider your views.

² <https://retirement.govt.nz/news/latest-news/new-research-highlights-how-reliant-older-new-zealanders-are-on-nz-super/>



Question 1:

Will these obligations the Code sets for us support the right of insured people to be treated with dignity and respect?

- Yes
- No
- Maybe

Question 2:

Please tell us why you gave that answer and/or any other feedback on: Right one - You have the right to be treated with dignity and respect.

All people, no matter what their age, religion, gender, language, culture or ability deserve to be treated with dignity and respect.

We urge those developing the Code and Insurers working with older homeowners to ensure ageism does not impact on their interactions with older people. Ageism is where a person is discriminated against because of their age. For example, people may have stereotypes about older adults that can lead to them being treated as less valuable or less capable.

Ageism should be challenged when observed, including in the management and settlement of home insurance claims after a natural hazard event.

Right two:

You have the right to effective communication.

Obligations on the Commission:

- a. We will communicate with you openly, honestly and effectively.
- b. We will respond to your questions in a timely manner.
- c. We will provide you accessible information in a timely manner.

Question 3:

Will these obligations the Code sets for us support the right of insured people to have effective communication?

- Yes
- No
- Maybe

Question 4:

Please tell us why you gave that answer and/or any other feedback on: Right two - You have the right to effective communication.

We **agree** with the inclusion of the right to effective communication and **agree** the obligations on the Commission are positive and should be helpful.



We **recommend** communication in written and verbal form be in easy to understand, everyday language and available in multiple languages. We are pleased to see that Interpreters will be made available where needed. Communication will need to be available in accessible formats for people that are blind, low vision or hearing impaired. Staff working for insurance providers will require training on the best way to communicate with people that are neurodiverse, have early dementia or have sight or hearing impairments.

We **recommend** 'Timely' has greater definition and clarity, preferably with maximum timeframes being defined in the Code. Timely is a convenient word but is open to varied interpretation. It could read instead "within expected and communicated timeframes".

Right three:

You have the right to be fully informed.

Obligations on the Commission:

- a. We will provide information on your rights under this Code.
- b. We will provide information on how to make a natural hazard damage claim.
- c. We will provide information about our processes, your claim and cover, your entitlements and your options if you do not agree with our decisions, in accordance with all relevant legislation.
- d. We will keep you updated on expected timeframes.

Question 5:

Will these obligations the Code sets for us support the right of insured people to be fully informed?

- Yes
 No
 Maybe

Question 6:

Please tell us why you gave that answer and/or any other feedback on: Right three - You have the right to be fully informed.

We **agree** the obligations on the commission will support the right of people to be fully informed.

We **recommend** the Commission recognises under Right two and Right three that communication and information will need to be provided face-to-face or in paper format for some people, including older homeowners who are not digitally literate.

We are **pleased** that the obligations include advising insured persons about expected timeframes. This is really important as some claims have taken an unreasonable time to be processed. People's lives are on hold during a claim, which is extremely stressful and can result in poor physical and mental health outcomes.



We **recommend** information is available in alternate accessible formats including New Zealand sign language, braille, easy read, large print, audio and video formats, as well as in multiple languages. This will ensure all people can access and understand the information.

Right four:

You have the right to have your personal information protected and respected.

Obligations on the Commission:

- a. We will comply with all relevant legislation relating to personal information and privacy. This includes:
 - i. We will advise you when and why your personal information is being collected.
 - ii. We will keep your personal information safe and secure.
 - iii. We will give you access to the personal information we hold about you and respond to requests to correct any mistakes or inaccuracies.
 - iv. We will use and share your personal information appropriately.

Question 7:

Will these obligations the Code sets for us support the right of insured people to have their personal information protected and respected?

- Yes
 No
 Maybe

Question 8:

Please tell us why you gave that answer and/or any other feedback on: Right four - You have the right to have your personal information protected and respected.

We **agree** with the inclusion of the right to have your personal information protected and respected. We also **agree** the obligations on the Commission are positive and support people's right to privacy of their personal information.

We **recommend** a further obligation is added about protecting people's personal information more specifically from the threats posed to cyber security by malware and computer hacking. This is a huge concern to people, including older New Zealanders.

We **recommend** 4 a iv is amended to read "We will use and share your personal information appropriately and responsibly."



Right five:

You have the right to support.

Obligations on the Commission:

- a. We will provide you with an interpreter or other suitable assistance when necessary.
- b. We will welcome you and your support person(s) to engage with us provided that the safety of all can be assured.

Question 9:

Will these obligations the Code sets for us support the right of insured people to have support?

- Yes
 No
 Maybe

Question 10:

Please tell us why you gave that answer and/or any other feedback on: Right five -You have the right to support.

We **agree** with Insured persons having the right to a support person when dealing with any claim related to a natural hazard event.

We **recommend** adding an additional obligation that people will be advised they can have a support person prior to meeting with or engaging with the Commission or their insurance providers so this can be arranged in advance.

Right six:

You have the right to have your culture, values and beliefs respected.

Obligations on the Commission:

- a. We will be respectful of all culture, values and beliefs.
- b. We will be respectful of Māori culture, values, and beliefs.

Question 11:

Will obligation a. support the right of insured people to have their culture, values and beliefs respected?

- Yes
 No
 Maybe

Question 12:

Will obligation b. support the right of insured people to have Māori culture, values and beliefs respected?

- Yes
 No
 Maybe



Question 13:

Please tell us why you gave that answer and/or any other feedback on: Right six - You have the right to have your culture, values and beliefs respected.

We **agree** with the intent of Right six and the two obligations of the Commission. As with the entire Code, effectiveness will come down to how this is implemented on a day-to-day basis.

A workforce that is diverse and representative of the community will help effective implementation, along with staff training about other cultures, including Māori culture, values and beliefs.

Right seven:

You have the right to complain.

Obligations on the Commission:

- a. We will inform you about the complaint procedure, and the expected timeframes for dealing with complaints.
- b. We will act in accordance with the complaint procedure.

Question 14:

Will these obligations the Code sets for us support the right of insured people to complain?

- Yes
 No
 Maybe

Question 15:

Please tell us why you gave that answer and/or any other feedback on: Right seven - You have the right to complain.

We **agree** with the intent of Right seven and the two obligations on the Commission.

We **recommend** adding a further obligation “We will inform you of the outcome of your complaint”.

Right eight:

You have the right to have a decision made about a breach of the Code independently reviewed.

Obligations on the Commission:

- a. We will inform you about the review procedure, and the expected timeframes for dealing with reviews.
- b. We will act in accordance with the review procedure.



Question 16

Will these obligations the Code sets for us support the right of insured people to get an independent review of a decision made about a breach of the Code?

- Yes
- No
- Maybe

Question 17:

Please tell us why you gave that answer and/or any other feedback on: Right eight- You have the right to have a decision made about a breach of the Code independently reviewed.

We **agree** with Right eight and the obligations on the Commission and have no further comments.

Right nine:

You have the right to have certain claim disputes referred to the external dispute resolution scheme.

Obligations on the Commission:

- a. We will inform you about the dispute resolution scheme process.

Question 18:

Will these obligations the Code sets for us support the right of insured people to have certain claim disputes referred to the external dispute resolution scheme?

- Yes
- No
- Maybe

Question 19:

Please tell us why you gave that answer and/or any other feedback on: Right nine -You have the right to have certain claim disputes referred to the external dispute resolution scheme.

We **agree** with Right nine but have two recommendations:

- (a) That the information about the dispute resolution scheme is in accessible formats and multiple languages.
- (b) That greater clarity is provided about what 'certain claim disputes' means. For example, it could say certain claim disputes that meet defined criteria available in xxx or "certain claim disputes such as....."



Overall feedback on the rights and obligations

Question 20:

Will the rights and obligations set out in the Code support us to manage claims in a way that's timely and fair?

- Yes
- No
- Maybe

Question 21:

Please tell us why you gave that answer and/or any other general feedback on the Code.

We support the rights and obligations set out in the Code and see them as a positive step forward. We are also willing to help raise awareness of the Code and its provisions amongst older adults. Our only reservation is seeing how it plays out post its implementation. We look forward to hearing feedback from local Age Concerns and older members of their local communities about the impact of the Code.

Question 22:

Are there any other rights not included in the Code which you believe should be included?

Not at this stage, we believe the Code covers the key rights insured persons should be guaranteed.

Remedies available under this Code

Upon finding that there has been a breach of this Code, where appropriate, the Commission may:

- a. provide a written or oral apology
- b. provide a written or oral explanation of the situation
- c. meet with the insured person to consider the insured person's views and resolve their concerns, accompanied by the insured person's support person(s) where requested
- d. provide information to the insured person, in an appropriate form, which explains:
 - i. any appropriate process, services and the expected timeframes
 - ii. any appropriate information about the insured person's claim
 - iii. the process to apply for an independent review of a complaint decision
 - iv. the process to file a dispute with the dispute scheme
 - v. any other information that the Commission considers relevant to resolve the complaint
- e. provide the insured person with access to their claim file
- f. ensure a response is given to questions and requests

In addition, the Commission may, at its discretion, provide other remedial actions as required.



Question 23:

Do you think these remedies would address a breach of the Code?

- Yes
- No
- Maybe

Question 24:

Please tell us why you gave your answer and/or any other feedback on the listed remedies and actions.

The proposed remedies will need to be applied recognising the different needs and situation of the insured person. Some people will require greater care and more time to be taken through this process. It needs to be carried out with integrity, honesty and a commitment to putting things right.

A breach of the Code will mean that an insured person has been subjected to considerable stress. They deserve to be treated with respect and dignity for the breach that has occurred. The breach will have compounded the negative impact of the natural hazard event, which may have changed their life for ever.

Purpose, identifying and addressing issues, right of review and disputes resolution scheme

The draft Code also contains sections on purpose of the Code (as defined by the NHI Act), identifying and addressing issues, the insured person's right of review and the dispute resolution scheme.

Question 25:

Do you have any comments on the wording of these sections in the draft Code?

No, we are happy with the purpose as defined in section 88 of the Act.

Question 26:

Do you have any further feedback or comments on the draft Code overall?

We would like clarification of what happens to a claim if the Insured person is deceased before the claim is finalised. Is the person's estate, a Trust or the executor named in their will able to pursue the claim?



Closing comment

Thank you again for the opportunity to provide our submission on the Draft *Code of Insured Persons' Rights*.

We are keen to be notified when a written summary is available on your website outlining how feedback has contributed to the development of the Code.

We would also like to be advised when you are seeking feedback on the Dispute Resolution Scheme.

Nāku noa, nā

Karen Billings-Jensen
Chief Executive
Age Concern New Zealand