



PRIVATE
HEALTH
INSURANCE
INTERMEDIARIES

CODE OF CONDUCT

**PRIVATE
HEALTH
INSURANCE
INTERMEDIARIES**

PRACTICE CODES

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VERSION 2



PRIVATE
HEALTH
INSURANCE
INTERMEDIARIES

CODE OF CONDUCT

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PART A: INTRODUCTION

1. ACCEPTANCE OF CODES

1.1 INTERMEDIARIES CODES

In Australia, Private Health Insurers and other general insurers provide private health insurance to consumers and Intermediaries provide a service to consumers and organizations by recommending appropriate private health insurance to them.

The Australian intermediaries including agents and brokers working in the private health insurance environment via an industry body the Private Health Insurance Intermediaries Association ("PHIIA") wish to further reinforce regulatory obligations on them, strengthen existing codes and develop a further specific code to reflect the separate and important function their members play in the private health insurance industry.

Once approved by the PHIIA the new code for intermediaries will be attached to this document ("Code").

1.2 OTHER CODES

The Australian private health insurance funds, through their industry bodies the Private Healthcare Australia ("PHA") and the Health Insurance Restricted Regional & Membership Association of Australia ("HIRMAA"), have developed codes of practice to reinforce existing regulatory obligations and to establish a minimum standard of business practice applicable to all health fund participants in such codes.

2. CODE COMPLIANCE

2.1 INTERMEDIARIES CODE COMPLIANCE COMMITTEE

The Board of the PHIIA ("Board"), under the PHIIA Constitution, shall establish a committee to be responsible for monitoring and enforcing compliance with the Codes by Intermediaries who have agreed to participate in such Codes. This committee will be called the Intermediaries Code Compliance Committee ("Committee").

The Committee will be responsible for:

- (a) admitting Intermediaries to participate in a Code;
- (b) monitoring and enforcing compliance with the Codes;
- (c) developing a logo for each Code;
- (d) receiving complaints about any alleged breach of a Code;

- (e) imposing sanctions in the event of a continued breach of a Code;
- (f) publishing the participants for each Code;
- (g) publishing an annual report on the operation of each Code and compliance by participating Intermediaries, as more fully set out in Part B.

The Committee will comprise:

- two PHIIA Board officers excluding the President;
- an independent member who will preside at meetings of the Committee; and
- the CEO of PHIIA

The members will be elected to the Committee by the Board of the PHIIA on an annual basis and will conduct meetings in accordance with the PHIIA Constitution.

The PHIIA Board may appoint alternates for Committee members other than the independent member.

Only persons who have no current contractual or financial relationship with a Private Health Insurer or with any Private Health Intermediary (other than as a contributor to a health fund) are eligible for appointment as the independent member. The Board may however determine that a person is independent despite the existence of such a contractual or financial relationship where the Board determines that such relationship could not materially interfere with, or could not reasonably be perceived to interfere with, the independent exercise by that person of their judgment

3. REVIEW AND DEVELOPMENT OF CODES

3.1 GUIDELINES

The PHIIA Board may develop guidelines to assist in the implementation and administration of any Code to be endorsed and promulgated by the PHIIA.

3.2 LIVING CODES

The PHIIA Board shall be responsible for the development and review of the Codes on an ongoing basis.

3.3 FORMAL REVIEW

The PHIIA Board will, every three years from its approval by the PHIIA or sooner if appropriate, commission an independent review of each Code with the intention that the review will be completed within one year. This review shall be undertaken by an independent party commissioned

by the PHIA Board and shall consider whether its operation is in accordance with the objectives of that Code.

This general review may be conducted in consultation with the private health insurers, the Private Health Insurance Ombudsman ("PHIO"), consumer representatives, the Department of Health ("DoH"), or such body performing the same functions and PHIA members.

4. PUBLICATION OF CODES BY INTERMEDIARIES

Each Intermediary will have available, and will require their agents to have available for consumers, information about each Code and its operation.

Each Intermediary will, in relation to each Code it has signed:

- (a) make the Code available on request;
- (b) publish the Code on its website; and
- (c) send the Code to consumers electronically or by mail on request.

5. ADOPTION OF CODES

Intermediaries and any other relevant bodies as indicated in a Code shall indicate their acceptance of the Code by entering into the Deed of Adoption relevant to the Code ("Deed of Adoption") with PHIA. This will incorporate by reference the terms contained in this Private Health Insurance Intermediaries Codes of Practice overarching document.

Prior to entering into the Deed of Adoption for a Code, each Intermediary (or other relevant body) will provide the Committee with a Self-Audit of the Intermediary's compliance with the Code.

All signatories to the Deed of Adoption undertake to comply with the provisions of the relevant Code.

Only Intermediaries that are compliant with the relevant Code and are authorised by the Committee may use the logo designated for that Code.

6. PUBLICATION OF SIGNATORIES TO THE CODES

PHIA shall publish on its website:

- (a) the existence and copies of the Codes; and
- (b) a list of signatories to each Code.

PART B: **COMPLIANCE AND OPERATION OF THE INTERMEDIARIES CODE COMPLIANCE COMMITTEE**

1. RESPONSIBILITY OF THE INTERMEDIARIES

An Intermediary shall ensure that it:

- (a) implements appropriate systems and documented procedures for the Intermediary to comply with a Code;
- (b) complies with a Code;
- (c) annually reports to the Intermediary Code Compliance Committee on the operation and compliance with a Code in the form of a Self-Audit prepared in accordance with the guidelines promulgated by the PHIA; and
- (d) complies with any requests or sanctions made or imposed by the Committee.

2. ROLE OF INTERMEDIARIES CODE COMPLIANCE COMMITTEE

The Committee shall have the following role:

2.1 ADMIT INTERMEDIARIES TO THE CODE

The Committee shall admit Intermediaries to participate in a Code, by arranging for PHIA to execute a Deed of Adoption with the Intermediary.

2.2 REVIEW OF COMPLIANCE

The Committee shall review the Self-Audits completed by Intermediaries as part of their annual compliance reporting.

The Committee may at other times review the compliance of this Code by an Intermediary, through regular full compliance audits and spot audits of any part or all of the Code or other means.

Notice of any audits to be advised to the Intermediaries giving reasonable notice at least one but not more than three months in advance.

Intermediaries shall co-operate with the nominated representatives of the Committee in all such reviews and provide such information as the Committee reasonably considers necessary relative to compliance and the Self-Audit submitted by the Intermediary.

2.3 PUBLICATION OF ANNUAL REPORT

Following the receipt of the annual Self-Audits by the Intermediaries, the Committee will publish an annual report on the operation of each Code, including an overall summary of compliance with the Code. This report will be

published on the PHIA website and the website will also provide information about how consumers can obtain a hard copy of the report.

2.4 COMPLAINTS HANDLING

The Committee will receive complaints about alleged breaches of the Code from other

Intermediaries or other relevant bodies (such as PHIO).

2.5 NON-COMPLIANCE WITH A CODE

If a breach of a Code is found or suspected by the Committee, either by virtue of its monitoring function or as a result of a complaint, the Committee will formally consult with the Intermediary in respect of the alleged non-compliance. Once the Committee has consulted with the Intermediary in respect of alleged non-compliance, the Intermediary shall cooperate with the Committee and provide information about any alleged breach. The Intermediary shall have an opportunity to make representations to the Committee in respect of such alleged non-compliance.

The Committee may make recommendations to an Intermediary, if necessary, about the alleged breach and the Intermediaries compliance with the Code.

The Intermediary shall take all reasonable steps to ensure that procedures are established to stop any breach occurring or recurring.

If the Committee has satisfied itself that an Intermediary has not materially complied with the Code and has not put in place procedures to stop the material breach recurring, it will further consult with the Intermediary and ask for the breach to be rectified and, if it considers necessary, request that certain actions are taken by the Intermediary in relation to the non-compliance.

2.6 SANCTIONS IMPOSED BY THE COMMITTEE

In the circumstances set out below, the Committee may impose sanctions on an Intermediary. The purpose of these sanctions is to reinforce the objectives of the relevant Code.

If the Intermediary refuses to co-operate with a request of the Committee in respect of a material breach of the Code, the Committee may give notice to the Intermediary that it proposes to impose sanctions on the Intermediary for non-compliance with the Code. A copy of the notice and reasons will be sent to the Chief Executive Officer of the Intermediary ("CEO").

The Committee will not impose sanctions for at least 20 business days after the notice has been given. The Intermediary will have an opportunity during this period to make further representations, including in person, to the Committee in respect of such non-compliance for the Committee's further consideration. If the Committee is still of the opinion that a material breach has occurred or persists and the Intermediary has not put in place a remedy to comply with the Code in respect of that breach, the Committee may impose sanctions.

Before imposing any sanctions on an Intermediary, the Committee will have regard to:

- the objectives and the principles governing the Code; and
- the severity of the breach of the Code and
- the appropriateness of the sanction.

The Committee may impose any one or more of the following sanctions:

- (a) require that an Intermediary report on its compliance with the Code on a more frequent basis than annually;
- (b) require that particular rectification steps be taken by the Intermediary in accordance with a specified timetable, including reporting back to the Committee in accordance with the timetable;
- (c) undertake a compliance audit by the Committee;
- (d) require that the Intermediary cease using the relevant Code logo until the Committee decides it may use it again;
- (e) in extreme cases, order corrective advertising at the expense of the Intermediary;
- (f) recommend to the PHIIA Board that the Intermediary be named (for example, in the presidents annual report of the PHIIA) as not having complied with the Code and setting out the nature of the non-compliance; and
- (g) recommend to the PHIIA Board that the Intermediary be named to the PHA and/or to the PHIO.

In determining where and how to name, the Committee will take into account the nature and severity of the breach and whether the Intermediary has cooperated with the Committee in relation to its recommendations or sanctions. For less serious material breaches, it may be appropriate

only to name the Intermediary in the presidents annual report of the PHIIA and/or PHA and/or PHIO and/or any other relevant body.

2.7 REVIEW OF SANCTIONS

If the Intermediary requests that the sanction imposed on it be reviewed, and at the request of the Intermediary the PHIIA Board reviews the matter under the Associations Constitution and directs the Committee to reconsider the imposition of the sanction, the Committee will re-consider the matter having regard to:

- (a) all the original material and documentation;
- (b) all additional material and documentation supplied by the Intermediary;
- (c) any additional material and documentation considered relevant by the Committee.

Following that re-consideration the Committee may confirm its original decision or alter it.

If an Intermediary requests a further review, this review will be conducted by an independent arbitrator selected by the Board in accordance with the Associations Constitution. All costs of this arbitration will be met by the Intermediary requesting the further review.

If the arbitrator directs the Committee to reconsider the imposition of the sanction, the Committee will re-consider the matter having regard to:

- (a) all the original material and documentation;
- (b) all additional material and documentation supplied by the Intermediary;
- (c) any additional material and documentation considered relevant by the Arbitrator and/or the Committee and/or the Board.

Following that re-consideration the Committee may confirm its original decision or alter it. If the original decision is confirmed this decision will be considered final.

2.8 FAILURE TO COMPLY

If an Intermediary fails to comply with a sanction within 20 business days, the Committee may do one or more of the following:

- (a) report to the PHIIA Board and/or the PHIO or any other relevant body any non-compliance with the Code

PART B:
**COMPLIANCE AND OPERATION OF THE INTERMEDIARIES
CODE COMPLIANCE COMMITTEE** *CONTINUED*

and/or failure by an Intermediary to comply with a sanction imposed on it and recommend action to be taken by the Committee;

- (b) take an action under the relevant Deed of Adoption to enforce compliance with the relevant Code and/or sanction;
- (c) terminate the relevant Deed of Adoption;
- (d) name the Intermediary in the annual report as not having complied with the Code and/or failed to comply with a sanction;

and/or in cases where the Committee considers that there has been a significant and systematic failure to comply with the provisions of the Code, report the Intermediary to the PHIA and/or DoH and/or any other relevant body;

2.9 CONFIDENTIALITY OF INFORMATION

The Code Compliance Committee, their representatives and the PHIA Board shall keep confidential all matters relating to compliance under the Code or any request for review of a sanction imposed except as detailed in these Practice Codes. For the avoidance of doubt, these Practice Codes do not permit disclosure of information provided by an Intermediary which is confidential or which identifies an individual, without the prior written consent of the Intermediary.

APPENDIX A: PRIVATE HEALTH INSURANCE INTERMEDIARIES CODE OF CONDUCT

PART A: GENERAL

1. INTRODUCTION

The Private Health Insurance Intermediaries Code of Conduct ("Code") is a self-regulatory code to promote honest, informed and transparent relationships between Private Health Insurance Intermediaries and consumers.

Our objective is that the Code will, together with other industry codes, assist to maintain and enhance regulatory compliance and service standards across the private health insurance industry. The provisions in this Code are for the purpose of clarification, or are in addition to the existing regulatory obligations on Intermediaries.

For this purpose the Code is to be a "living Code" which will be progressively reviewed from time to time. We welcome the input of the industry into the Code and its operation. We may also seek the input of consumers from time to time, including through consulting with the Private Health Insurance Ombudsman ("PHIO") or equivalent authority.

2. OUR COMMITMENT UNDER THE CODE

As a signatory under the Code, as private health insurance intermediaries, we will:

- (a) continuously work towards improving the standards of practice and service in the private health insurance industry;
- (b) work in the best interests of our clients;
- (c) put consumers interests before our own;
- (d) provide information to consumers and organisations in plain language;
- (e) promote better informed decisions about the private health insurance products and services we offer by:
 - (i) ensuring that our proposals contain all required information;
 - (ii) providing an effective explanation of the contents of the policy documentation in plain English and in the form requested by a consumer;
 - (iii) ensuring that our staff and other persons providing information on our behalf are appropriately trained;

- (f) provide information to consumers on their rights and obligations under their relationship with their health fund or general insurer, including information on this information on this Private Health Insurance (PHI) Intermediaries Code of Conduct;
- (g) disclose to consumers or our principal our relationship with the Private Health Insurers we are recommending to them;
- (h) provide consumers with easy access to our internal dispute resolution procedures, which will be undertaken in a fair and reasonable manner; and
 - (i) where internal dispute resolution procedures do not reach a satisfactory outcome for the consumer, or if a consumer wishes to deal directly with an external body, advise the consumer of the right to take the issue to a health fund that may be the subject of the dispute or an external body, such as the PHIO;

but, apart from the provisions for enforcement and sanctions in the Private Health Insurance Intermediaries Codes of Practice, a breach of the Code shall not give rise to any legal right or liability.

3. PRIVATE HEALTH INSURANCE ENVIRONMENT

In meeting our commitments, we will have regard to:

- (a) the provisions of the Private Health Insurance Act 2007 which govern private health insurance policies and arrangements between consumers, Private Health Insurers and government;
- (b) our requirement to comply with the provisions of the Competition and Consumer Act 2010 and the state Fair Trading Acts; and
- (c) the need for effective competition and cost efficiency being promoted in the private health insurance industry.

APPENDIX A: PRIVATE HEALTH INSURANCE INTERMEDIARIES CODE OF CONDUCT *CONTINUED*

PART B: DISPUTE RESOLUTION PROCEDURES IN RELATION TO THE CODE 1. INTERNAL DISPUTE RESOLUTION

1.1 INTERNAL DISPUTE RESOLUTION

We shall have a fully documented internal process for resolving a dispute between the consumer and us. This process shall be readily accessible by consumers, without charge.

The internal process shall provide a fair and timely method of handling disputes, together with procedures for monitoring the efficient resolution of disputes.

1.2 RESOLUTION REQUESTS

Where we receive from a consumer a request, whether written or oral, for the resolution of a dispute or a request for a response in writing in relation to the dispute, we will promptly reply to the consumer within ten working days. If the dispute is not resolved in a manner acceptable to the consumer, we will provide:

- (a) where appropriate, the general reasons for that outcome; and
- (b) information on the further action that the consumer can take such as the process for resolution of disputes referred to in Section 2 below.

2. EXTERNAL DISPUTE RESOLUTION

2.1 EXTERNAL DISPUTE RESOLUTION

In the event that a dispute is considered by the consumer to be unresolved internally, we will advise the consumer of the available external dispute resolution procedures in which we participate.

This includes providing information on a health fund or general insurer that may be involved as well as information regarding the PHIO or other relevant authority.

PART C: EMPLOYEES

1. TRAINING OF EMPLOYEES

We will:

- (a) ensure that employees involved in arranging insurance and in dispute resolution are familiar with the provisions of this Code and that they possess the necessary skills appropriate to their responsibilities;
- (b) both provide and keep appropriate records of adequate on-going training to employees having regard to the employee's role and responsibility and the PHI contracts for and the insurance services to consumers that he/she is authorised to arrange or provide;
- (c) review the effectiveness of training provided to employees in relation to their responsibilities under the Code; and
- (d) provide remedial training where necessary.

2. IMPLEMENTATION FOR EMPLOYEES

In implementing these requirements, we will have regard to whether the employee would ordinarily make representations on products to consumers and, if this is not the case, we will provide such employees with information as to how consumers may be able to obtain product information.

We will instruct and remind our employees not to make representations in relation to any product in respect of which they have not been trained to provide information.

We will instruct our employees to explain the consumer's options clearly and provide, in addition to the policy documentation, the information that the consumer requires to make an informed choice as to their health insurance purchase. We will instruct employees to keep appropriate records of their advice to consumers.

PART D: RESPONSIBILITIES

1. GENERAL RESPONSIBILITIES OF INTERMEDIARIES

We, as Intermediaries, will ensure that if we are engaging in health insurance business or dealing with health cover provided by a general insurer we will:

- (a) discharge our responsibilities and duties competently and with integrity and honesty;
- (b) exercise reasonable care and skill;
- (c) comply with the provisions of the Private Health Insurance Act 2007, the Competition and Consumer Act 2010, the State Fair Trading Acts and the Privacy Act 1988;
- (d) maintain records required by law and comply with legal requirements for production of, access to, or copying of, such records;
- (e) provide such information as may be legally required by any regulatory or other authority;
- (f) comply with the Code where relevant;
- (g) not engage in any unlawful non-disclosure or misrepresentation; and
- (h) ensure recommendations are made to consumers' in the consumers' best interest, regardless of any incentive or commission received by us.

Policy documentation or proposals

ensure all policy documentation and proposals identify the usual information the Private Health Insurer or general insurer ordinarily requires to be disclosed which will as a minimum contain:

- (i) waiting periods and pre-existing conditions;
- (ii) an explanation of the scope and implications of exclusions;
- (iii) an explanation of the scope and implications of restriction on benefits;
- (iv) an explanation of the scope and implications of benefit limitation periods;

- (v) annual limits (individual and membership);
 - (vi) co-payments and/or excesses;
 - (vii) how to access the fund's complaints handling procedures;
 - (viii) advice that they may cancel their private health insurance policy and, if they have not yet made a claim, may receive a full refund of any premiums paid within a period of 30 days from the commencement date of their policy;
 - (ix) information about the existence of the Code and Code Logo; and
 - (x) advice that the documentation should be read carefully and retained;
- (j) ensure all product summaries contain at a minimum information detailed in (i)(i) to (i)(x) above; and
- (j) when requested disclose to the consumer or our principals the existence of fees, commissions or other remuneration or benefits.

2. ADDITIONAL RESPONSIBILITIES OF AGENTS

In addition to those responsibilities in Rule 1. GENERAL RESPONSIBILITIES OF INTERMEDIARIES above we will as agents of one or more health funds and/or general insurers:

- (a) provide to the consumer copies of policy wordings, insurance documentation and certificates;
- (b) explain options clearly to the consumer and provide such information as is required to make an informed choice as to their health insurance purchase; and
- (c) promptly convey to the consumer, relevant information and documents being sent to us by a relevant Private Health Insurer or general insurer.

3. ADDITIONAL RESPONSIBILITIES OF BROKERS ACTING AS AGENT OF INSURED

In addition to those responsibilities in Rule 1. **GENERAL RESPONSIBILITIES OF INTERMEDIARIES** above we as a Broker acting as the agent of a consumer in relation to a PHI contract offered by a health fund or general insurer will:

- (a) ensure consumers are able to make an informed decision about their health insurance purchase by clearly explaining relevant options and providing all relevant information;
- (b) comply with our fiduciary obligations to our principal and the consumer, including:
 - (i) avoiding conflicts of interest
 - (ii) if a conflict of interest occurs, disclosing that conflict as soon as is reasonably practicable; and
 - (iii) maintain the confidentiality of our principal's records and other information.

Policy arrangements/renewal/cancellation

- (c) assist the consumer in all ways to comply with the Private Health Insurer's or general insurer's requirements of the consumer;
- (d) promptly provide the consumer's proposal information to the Private Health Insurer or general insurer; and
- (e) not engage in any unlawful non-disclosure or misrepresentation

Drafting proposals

- (f) when requesting information from consumers for information to prepare a proposal, ensure requests are in plain language and provide instruction where necessary on how the questions should be answered: and
- (g) when preparing proposals ensure information is in plain language.

4. ADDITIONAL RESPONSIBILITIES OF CORPORATE BROKERS ACTING ON BEHALF OF ORGANISATIONS WISHING TO OFFER HEALTH INSURANCE PRODUCTS TO EMPLOYEES

In addition to those responsibilities in Rule 1. **GENERAL RESPONSIBILITIES OF INTERMEDIARIES** above we as a Broker acting as the agent of an organisation wishing to offer health insurance products or health cover offered by a general insurer to their employees will:

- (a) ensure our Principal is able to make an informed decision about their health insurance decisions by clearly explaining relevant options and providing all relevant information;
- (b) comply with our fiduciary obligations to our Principal, including:
 - (i) avoiding conflicts of interest;
 - (ii) if a conflict of interest occurs, disclosing that conflict as soon as is reasonably practicable; and
 - (iii) maintain the confidentiality of our Principal's records and other information.

Drafting proposals

- (c) when requesting information from our Principal for information to prepare a proposal, ensure requests are in plain language and provide instruction where necessary on how the questions should be answered: and
- (d) when preparing proposals ensure information is in plain language.

PART E: **TRAINING AND ACCREDITATION**

1. TRAINING OF AGENTS

1.1 TRAINING OF AGENTS

We will, as agents of a health fund, ensure we possess the necessary skills appropriate to the private health insurance product we are arranging and the insurance services we are providing.

To this end, we will, as agents ensure we receive adequate on-going training or instructions, and documentation from relevant health fund/s to competently arrange PHI contracts for and provide the insurance services to consumers that we are authorised to arrange or provide. This training will allow sufficient information for the consumer to make an informed choice as to their health insurance purchase.

The obligation to receive training or instruction, and documentation shall be ongoing and will include training or instruction and documentation in the areas of:

- (a) principles of health insurance and any relevant consumer protection law;
- (b) product knowledge;
- (c) use of by us and distribution to consumers of relevant product documentation;
- (d) what to do in the event of a claim;
- (e) the requirements of this Code; and
- (f) the requirements for our compliance with the Private Health Insurance Intermediaries Code of Conduct;

as may be appropriate in relation to the authority and responsibility of us as agents.

1.2 IMPLEMENTATION FOR AGENTS

In implementing these requirements, we will have regard to whether we as agents would ordinarily make representations on products to consumers.

If we as agents make no representations to consumers and merely have brochures in our premises or receive claims from health fund members, we will ensure we have information as to how consumers may be able to obtain further product information and assistance from the relevant health fund/s or general insurer/s.

We will ensure we, as agents do not make representations in relation to any product in respect of which we have not been trained to provide information. We will keep appropriate records of our advice to consumers.

2. TRAINING AND ACCREDITATION OF BROKERS AND CORPORATE BROKERS

2.1 TRAINING AND ACCREDITATION OF BROKERS AND CORPORATE BROKERS

We as Brokers and/or Corporate Brokers acting in the private health insurance industry will meet appropriate training and accreditation requirements including any requirements of a Private Health Insurer or general insurer with whom we deal.

This training will allow for sufficient information to be provided to the consumer or principal to make an informed choice as to their health insurance purchase or decision.

**PART F:
DISCLOSURE**

**1. GENERAL DISCLOSURE REQUIREMENTS
FOR INTERMEDIARIES**

We will inform consumers and/or our principal in our contact with them including our advertising and our website of:

- (a) our accreditation under the Code including the Code logo;
- (b) the identity of any other Private Health Insurers or general insurers whose products we are presenting;
- (c) the total number of Private Health Insurers or general insurers available to us to select from on behalf of the consumer or our Principal; and
- (d) when asked acknowledge to the consumer or our principal any recommendation of a health fund or general insurer where that health fund or general insurer pays commissions and/or fees and/or incentives higher than other health funds or general insurers from which we are selecting on their behalf.

**2. ADDITIONAL DISCLOSURE REQUIREMENT
FOR AGENTS**

In addition to the requirements in 1. above, we as agents will inform consumers; of our status as agents, the fact that we are acting for the health fund/s or general insurer/s and the nature of our association.

**3. ADDITIONAL DISCLOSURE REQUIREMENT
FOR BROKERS ACTING AS AGENT OF
INSURED**

In addition to the requirements in 1. above, we as Brokers will inform consumers of:

- (a) our status; and
- (b) the company we are representing.

We will also inform consumers and the corporate entity for whom we are acting of any associations between us and Private Health Insurers and/or general insurers.

**4. ADDITIONAL DISCLOSURE REQUIREMENT
FOR CORPORATE BROKERS OPERATING
ON BEHALF OF ORGANISATIONS
WISHING TO OFFER HEALTH INSURANCE
PRODUCTS TO EMPLOYEES**

In addition to the requirements in 1. above, we as Corporate Brokers will inform our principal of our status.

**PART G:
PRIVACY**

1. AUSTRALIAN PRIVACY PRINCIPLES

We will:

- (a) embrace the Australian Privacy Principles under the Privacy Act 1988 and the provisions of relevant State privacy legislation; and
- (b) formulate and publish our own Privacy Policy, by which we will abide.

PART H: DEFINITIONS

In the Code, the following terms mean:

“**ADVICE**” means general advice of a factual nature;

“**AGENT**” means an insurance intermediary who is an agent for one or more Private Health Insurers and who acts on behalf of the Private Health Insurer/s;

“**ASSOCIATION**” means the PHIIA;

“**BROKER**” means an insurance intermediary who is an agent for a consumer and who acts on behalf of the consumer;

“**CONSUMER**” means an individual, where that individual, whether alone or jointly with another individual, enters or proposes to enter into a PHI contract;

“**CORPORATE BROKER**” means an insurance intermediary who is a representative of an organisation wishing to offer health insurance products provided by a Private Health Insurer or general insurer to their employees and acts on behalf of that organisation;

“**BOARD**” means the board of directors of the PHIIA set up to manage the affairs of the Association;

“**DoHA**” means the Australian Government Department of Health and Ageing, or such other name given to such body from time to time;

“**DISPUTE**” means an unresolved complaint about a product or service of an Intermediary and for this purpose a complaint is an expression of dissatisfaction conveyed to an Intermediary together with a request that the complaint be remedied by the Intermediary;

“**GENERAL INSURER**” means a general insurer offering health insurance products to consumers that fall outside the *Private Health Insurance Act 2007*;

“**HEALTH INSURANCE BUSINESS**” is as defined in Division 121 of the *Private Health Insurance Act 2007*;d

“**INTERMEDIARY**” means an “agent” or “broker” or “corporate broker” defined in these Definitions.

“**MINISTER**” means the Federal Minister or his or her delegate with the powers vested in the Minister under the *Private Health Insurance Act 2007*;

“**PHI**” means private health insurance;

“**PHIIA**” means the Private Health Insurance Intermediaries Association, an industry body that agents and brokers may join if they wish;

“**PHI POLICY**” or “product” means each PHI policy arising out of or in connection with health insurance business between a Private Health Insurer and a consumer;

“**PHIO**” means the Private Health Insurance Ombudsman or equivalent authority as appointed by the Minister from time to time;

“**POLICY DOCUMENTATION**” means private health insurance policy information in brochures, websites or other printed or electronic form;

“**PRIVATE HEALTH INSURANCE**” means health insurance business;

“**PRIVATE HEALTH INSURER**” means a registered health benefits fund under the *Private Health Insurance Act 2007*;

“**PRODUCT SALES MATERIAL**” means material that markets or promotes a PHI fund, PHI policy or PHI product of a Private Health Insurer that is not Policy documentation, whether in printed or electronic form;

“**PROPOSAL**” means a document in any form prepared by an Intermediary offering a private health insurance product or products to a consumer or to an organisation.



Private
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