

June 25, 2012

## Statement: Mental health and general insurance

The Insurance Council of Australia (ICA) represents general insurance companies. It is actively engaged in Minister for Financial Services Bill Shorten's Insurance Reform Advisory Group (IRAG), which is looking at mental health issues through its Mental Health and Insurance Working Group.

The ICA has supported a continuation of the Working Group in order to build on discussions over the past 12 months. These discussions have helped general insurers and mental health representatives better understand each other's perspective, and consider the issues around discrimination cited in the 2011 Mental Health Council of Australia (MHCA) report.

The Working Group has been considering, for example, the work needed to be undertaken with the medical profession so a consistent scale is used to assess mental health issues and to enable the establishment of reliable databases. Insurers cannot price risk they cannot assess. For example, as currently used the term 'depression' covers a range of conditions of varying severity, and insurers are unable to assess the likelihood of the depression recurring.

In addition, the MHCA and beyondblue invited the ICA and its members to co-sign a media release in February this year announcing the launch of the MHCA's Mental Health and Insurance Project website. The ICA was happy to support this important initiative to foster a greater understanding about the range of issues relating to mental health and insurance, and provided input during the development of the website.

The ICA welcomes the opportunity to be involved in the ongoing dialogue around mental health and insurance and to continuing collaboration with the MHCA through the Mental Health and Insurance Working Group.

Questions of mental health discrimination by providers of non-general insurance products, such as income protection, life and private health insurance, are a matter for the Financial Services Council and Private Healthcare Australia.