



30 September 2026

INDEPENDENT REVIEW OF THE

Life Insurance Code of Practice^{''}

Our industry's response to the recommendations for change

2026

The Life Insurance Code of Practice (Life Code) sets the standard for how the life insurance industry supports people throughout their life insurance journey. It provides practical commitments about customer service, communication, claims handling and support, while working alongside protections already established by law. This review provides an opportunity to ensure the Life Code remains clear, relevant and trusted, and continues to deliver meaningful outcomes for Australians.

The Council of Australian Life Insurers (CALI) industry response to the final report of the 2026 Independent Review of the Life Insurance Code of Practice (Final Report) is grounded in four principles.

- a. Amendments to the Life Code should ensure it remains strong, practical and trusted to enhance the customer experience overall. The Life Code should provide clarity and make it easier for customers to engage with life insurers.
- b. A better Life Code does not mean a longer or more complex Life Code. The Life Code should minimise restatement of existing consumer rights under the law and/or other regulatory obligations.
- c. The Consumer Guide to Life Insurance Law sets out the full suite of legal protections available to life insurance customers. The Life Code should express important customer protections that operate in addition to the law.
- d. Where recommendations are interconnected or the industry response requires further research, evidence, consultation or implementation design, the case for change should be considered through a structured and transparent process before drafting begins (priority workflow).





Priority workstream consultation process

CALI recognises that certain recommendations of the Final Report cannot be considered in isolation.

Accepting one recommendation may affect other parts of the Life Code by changing customer experiences, claims and service processes, product settings, operational systems, regulatory obligations or implementation requirements. Considering these recommendations together will help identify unintended impacts, avoid overlapping or conflicting obligations and ensure that improvements are practical, sustainable and deliver a consistent experience for customers.

CALI will establish four priority workstreams to carefully consider recommendations on mental health, claims handling, First Nations and funeral insurance. It is anticipated that this process will be completed in the first half of 2027. The priority workstreams will have clear objectives, defined timeframes and a strict focus on delivering better outcomes for customers, stronger safeguards and a more effective Life Code.

Each workstream will identify how the underlying customer concern can be addressed, what outcomes, safeguards or Life Code changes are required, and the most effective and practical way to implement the recommendation to improve customer outcomes. In doing so, each workstream will consider customers first, alongside legal and regulatory alignment, privacy, competition law, product design and operational impacts.

Where a recommendation is subject to a priority workstream, CALI is committed to working collaboratively with stakeholders to identify an appropriate response to the issue raised, whether through Life Code amendments, industry commitments, guidance or other measures that deliver meaningful customer benefit.

The Life Code is fundamental to our industry's commitment to the Australians we serve every day, and we must get it right.



Priority workstreams	Recommendations	Rationale
Mental health	5, 6, 7 and 9	This priority workstream will examine how mental health recommendations and resulting changes to the Life Code will work together, incorporate further customer perspectives, and promote a fair and transparent approach to mental health cover.
First Nations	33, 34 and 35	This priority workstream will provide for deeper consultation with First Nations people to ensure our industry's response is culturally safe and appropriate.
Claims handling	37, 38, 39, 40, 41, 43, 44, 47 and 52	This priority workstream will examine how the recommendations and resulting changes to the Life Code will work together and identify implementation matters. It will also draw on customer research and testing to ensure our industry's response serves the needs and expectations of customers.
Funeral insurance	56, 57 and 58	This priority workstream will examine how funeral insurance products can support improved customer understanding and deliver good value for money. The workstream will seek to better understand customer needs and perceptions regarding funeral insurance products.

The priority workstreams will draw together customer voices, lived experience, industry expertise and regulatory perspectives to resolve implementation questions, identify potential unintended impacts and ensure changes operate cohesively across the customer journey.





Understanding our response

The recommendations have been considered carefully in the context of the Life Code and the broader regulatory framework that applies to life insurers.

CALI's responses distinguish between:

- supporting a recommendation as drafted
- identifying matters for further consideration through a priority workstream
- committing to an alternative industry approach that addresses the concern, aligns with the purpose of the Life Code, and delivers better customer outcomes while supporting practical implementation
- not supporting a recommendation where the proposed approach may not achieve the intended outcome or could create unintended impacts.

A number of recommendations are interconnected. Accordingly, CALI has considered the likely effects on customers, product design, affordability, claims and service processes, operational systems, regulatory obligations and competition law alongside the practical implementation of any Life Code changes.

The response categories used in this document are outlined on the next page.

Supported

Supported	CALI supports implementing the recommendation as drafted. Further consideration may still be required on detailed drafting, timing and implementation.	
Supported, with final decision by the independent Life Code Compliance Committee	The Life Code Compliance Committee (Life CCC) is an independent body responsible for monitoring compliance with the Life Code. These recommendations relate to the Life CCC's independent role, functions or processes and will therefore be considered by the Life CCC.	
Alternative industry response	CALI supports the customer outcome intended by the recommendation, but considers that the recommendation should be refined or implemented differently. The industry's approach may better address the identified issue, avoid duplication with existing law or regulation, and reduce the risk of unintended impacts while preserving practical implementation. CALI proposes an alternative industry commitment that addresses the concern.	

Other

Recommendation to be considered through the upcoming priority workstream process	CALI supports further consideration of the recommendation through a focused and structured process involving the appropriate stakeholders. This will allow the customer outcome, evidence base, related recommendations and implementation impacts to be considered before the final drafting position is settled.	
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Not supported

Recommendation not supported	CALI does not support the recommendation as drafted. This may be because the proposed approach could create disproportionate or unintended impacts, duplicate existing legal or regulatory obligations, restrict customer choice, or not achieve the intended customer outcome. In each case, CALI's response has sought to explain the underlying concern and, where appropriate, identify a more effective approach.	
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No.	Recommendation	CALI response
1	The Code should contain a new overall industry commitment to dealing appropriately with customers experiencing a mental health condition in Section 1 rather than in Appendix B.	Supported.
2	Develop a standalone plain-English consumer document - 'Consumer Guide to Life Insurance and Mental Health' that is readily available to consumers and is prominently positioned on insurer websites. This should have relevant stakeholder input.	Supported. We support developing a plain-English consumer guide on life insurance and mental health. As part of the mental health priority workstream, we will consult with appropriate stakeholders on the document to ensure it is accessible and developed with a lived experience lens.
3	The Life Code should explicitly state that insurers will comply with relevant anti-discrimination law including the Disability Discrimination Act 1992, Sex Discrimination Act 1984, Age Discrimination Act 2004 and any other Federal, State or Territory anti-discrimination legislation.	Supported.
4	The Life Code should prohibit total exclusions of coverage for mental health conditions in standard form contracts i.e. insurance policies that automatically exclude cover for all mental health conditions, even if these might be consistent with the DDA. This would include where the customer can opt out of mental health cover entirely. (This would not apply to products designed to cover specific conditions such as critical illness insurance or accidental injury cover).	Alternative industry response. We support the recommendation that the Life Code should prohibit each insurer's standard form disability insurance contracts from excluding cover for all mental health conditions. Each insurer's standard form disability insurance contracts will not include terms that automatically exclude cover for all mental health conditions. This does not prevent: • Benefit design features applying to cover for mental health conditions including caps, eligibility criteria, waiting periods or maximum sum insured limits, consistent with anti-discrimination law. • Providing customers with choice, including where a customer chooses to modify their cover for mental health conditions, where that choice is informed, voluntary and supported by safeguards. • Offering alternative terms relating to mental health conditions following individual underwriting, consistent with anti-discrimination law. Any industry agreement is subject to obtaining any required regulatory approval.

No.	Recommendation	CALI response
5	The Code should require that any standard form limitation on mental health cover must be supported by documented actuarial or statistical data and consideration of other relevant factors.	Recommendation to be considered through the upcoming mental health priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to engage with customers, consumer advocates and other stakeholders to better understand experiences, needs and emerging issues. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. The process will also further examine interactions with existing law.
6	Insurers should be required to undertake regular review of these product designs at least every three years (consistent with clause 2.2) to ensure they remain necessary, proportionate and are supported by relevant data.	Recommendation to be considered through the upcoming mental health priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to engage with customers, consumer advocates and other stakeholders to better understand experiences, needs and emerging issues. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. The process will also further examine interactions with existing law.

No.	Recommendation	CALI response
7	CALI should institute a process to work with stakeholders to develop principles and/or guidance for ensuring fair and transparent cover and fair dealings with customers with mental health conditions. This could include (but need not be limited to): • Guidance on high level principles that might inform approaches to sustainable product design features. For example, while limitations are permitted, policies should still include meaningful cover for mental health and any limitations or exclusions should be defined as narrowly as practicable to support sustainability. This could also include any relevant output from the industry process to develop a sustainable disability insurance action plan which CALI has been running in parallel to this review; • The identification of any policy design features that may pose higher risk of consumer detriment. (It would not be feasible nor desirable for the industry to develop a list of permissible policy design features); • Guidance around the data that might support and/or assist the design of limitations on mental health cover, including qualitative data and other relevant factors that would comply with the DDA. There also may be scope to make some industry level data more publicly available; and • Relevant content for the proposed 'Consumer Guide to Life Insurance and Mental Health', designed to help ensure consumers understand the implications of different product designs, levels of cover and individual underwriting options.	Recommendation to be considered through the upcoming mental health priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to engage with customers, consumer advocates and other stakeholders to better understand experiences, needs and emerging issues. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. The process will also further examine interactions with existing law.

No.	Recommendation	CALI response
8	The LCCC should review insurer experience and compliance with these Code requirements prior to the next Code review.	Supported, with final decision by the independent Life Code Compliance Committee.
9	When an insurer declines to provide cover or offers cover on non-standard terms, the Code's current provisions in Section 4 setting out required information for applicants should be revised to: - Clarify that this information should be in writing; and - Align the information to be provided in a decision to offer of alternative terms (4.22) with the information provided in a decision to decline cover (4.25), as relevant. For example, in both situations the consumer should be given the reasons for the decision based on what the applicant disclosed, as well as the opportunity to correct information.	Recommendation to be considered through the upcoming mental health priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to engage with customers, consumer advocates and other stakeholders to better understand experiences, needs and emerging issues. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. The process will also examine the interaction with this recommendation and the law.
10	Insurers should be required to provide, on request, a plain English summary of the actuarial and statistical data or other relevant data the insurer has relied on for the decision, with sufficient detail to enable the consumer to understand how this information relates to the decision on their application.	Supported. We support providing customers with clear, plain-English explanations of underwriting outcomes and how the information they have provided relates to the insurer's decision.
11	Insurers should be required to explain to consumers as part of underwriting questions what information on mental health needs to be disclosed and what does not. (This issue should be covered at a general level in the proposed 'Consumer Guide to Life Insurance and Mental Health').	Supported. We support providing customers with clear, general information about what mental health information they need to disclose when applying for insurance.

No.	Recommendation	CALI response
12	Remove Appendix B of the Code (as recommended above, include a clear statement in the main body of the Code on mental health).	Supported. We support removing the separate mental health appendix and incorporating the relevant commitments into the main body of the Life Code. This will make mental health protections easier for customers to find and understand.
13	Incorporate the commitment to provide an assigned claims assessor in clause 14 of Appendix B into the Code provisions relating to Claims Handling.	Alternative industry response. We support customers having access to a real contact person who can assist them and answer questions during the claims process. The Life Code will require insurers to provide clear access to an appropriately informed contact, with continuity, handover and escalation arrangements where needed. This better reflects the customer outcome the recommendation is seeking to achieve.
14	Clauses 6.9 and 6.10 in the Code that refer to customer disclosure of 'vulnerability' should be redrafted to emphasise the disclosure of the consumer's situation. This should be done so to assist to the identification of their potential need for support e.g. clause 6.10 should read "We encourage you to tell us about your circumstances so that we can arrange additional support to help you should you need this."	Supported. We support reframing vulnerability around a customer's circumstances and need for assistance. This avoids placing the onus on customers and better reflects that circumstances can change over time.
15	Section 6 of the Code should start with a broad definition of vulnerability consistent with AS 22458.	Supported. We support a broad, principles-based definition aligned with relevant standards.

No.	Recommendation	CALI response
16	The Code should require insurers to follow the key principles in AS 22458 so as to improve outcomes for consumers experiencing vulnerability. These include: • A commitment to a proactive, outcomes focused approach. • Inclusive design, especially in customer service and claims processes. • Requiring insurers to have a range of free, easy to access contact channels so that consumers can choose their preferred method of communication.	Alternative industry response. We support the objective of improving outcomes for customers experiencing vulnerability through inclusive design, accessible communication and an outcomes-focused approach. The final Life Code should adopt the relevant principles from AS 22458 in a way that is proportionate, practical and specific to life insurance. This will support better customer outcomes while avoiding uncertainty about which parts of the external standard are enforceable Life Code obligations.
17	Clause 6.1 should be amended to: • Recognise that anyone can become vulnerable at any time based on their circumstances; • Include a list of potential risk factors, incorporating the categories identified in AS 22458, that provide examples of characteristics which may increase the risk of vulnerability; and • Add “bereavement”, “cognitive impairment”, “trauma” and “sexual orientation, gender identity and sex characteristics” as potential risk factors and expand “Family violence” to “family violence including financial abuse”.	Supported.
18	Where risk factors are identified, insurers should specifically ask consumers about their circumstances and whether any assistance or extra care is required to help them engage with their insurer.	Alternative industry response. We support reframing vulnerability support around a customer’s circumstances and need for assistance. This avoids placing the onus on customers and better reflects that circumstances can change over time.

No.	Recommendation	CALI response
19	Clause 6.15 should be expanded to include trauma-informed policies and training.	Supported. We support trauma-informed approaches as part of a broader framework for assisting customers experiencing vulnerability. The Life Code should specify training be proportionate to the person's role, likelihood of contact with affected customers and level of responsibility. Employees who make decisions or communicate directly with customers should receive more targeted training, while all other relevant people should understand how to respond appropriately and refer the matter to the right support.
20	Insurers should take appropriate steps to record, with consent, personal information to help support people experiencing vulnerability.	Supported. We support recording information about customer circumstances with consent where it helps deliver support and is consistent with our obligations under the Privacy Act 1988 (Cth).
21	Insurers should set out clearly on their website and in relevant customer communications the types of additional supports they make available to customers experiencing vulnerability.	Supported. We support accessible website information about available vulnerability support. Customers should be able to find assistance easily, with information written in clear language so customers can easily identify how to seek assistance.
22	Where family violence is identified or suspected, the Code should commit insurers to do everything reasonably possible to protect the safety of the person affected by family violence and their family.	Supported. We support a commitment to take steps within the insurer's role and control to assist customers affected by family and domestic violence. This includes responding with sensitivity, protecting privacy and confidentiality, offering appropriate flexibility, and helping customers access specialist support where needed. The Life Code should recognise the important role insurers can play in supporting customers experiencing family and domestic violence. Insurers are often a trusted point of contact during difficult circumstances and can contribute to safer customer experiences through compassionate communication, tailored support and appropriate referral pathways.
23	The Code should require insurers to comply with key requirements of CALI's Best Practice Guidance (BPG) on Family and Domestic Violence Policies.	Supported. We support incorporating key requirements of the family and domestic violence guidance into the Life Code.

No.	Recommendation	CALI response
24	In particular the Code should require insurers to: • Have publicly available FDV policies that address all the matters in the “Key content” section of the BPG; • Protect the privacy and confidentiality of customers experiencing family and domestic violence; and • Incorporate Safety by Design principles into the design of new products.	Supported. We support public policies, privacy and confidentiality protections and Safety by Design principles being incorporated into the Life Code.
25	Redraft clause 6.18 to separate the concepts of overall intent on financial hardship; identification and risk factors; and possible flexible support options.	Supported. We support separating the concepts of hardship, risk indicators and potential assistance. Clearer structure will help customers understand the support available to them.
26	As part of the identification of hardship risk factors, introduce a Code clause that lists key risk factors for hardship as a guide that can initiate further investigation and/or conversation about hardship support options. This could include: a. hardship requests, b. payment arrears, c. requests for reduction in the amount or type of cover, d. unsuccessful payment attempts, e. existing or previous hardship arrangements, f. customers that indicate difficulty in affording premiums or managing general living expenses, especially for customers with legacy products, and g. customers who are asked to repay an overpayment of benefits.	Supported. We support taking a proactive approach where there are signs that a customer may be experiencing financial hardship. Risk factors can help identify when it may be appropriate to offer information, ask whether support is needed or provide assistance. The Life Code should enable insurers to respond thoughtfully to the customer's circumstances, with questions asked where appropriate and in a way that supports the customer's dignity, privacy and choice. It should encourage early assistance without creating a rigid process that requires engagement with a customer that is confusing to them, or produces conversations with little relevance or value.

No.	Recommendation	CALI response
27	Where risk factors are present, insurers should ask consumers about their circumstances and whether any hardship support is required.	Supported. We support engaging with customers where the specified risk factors indicate that they may be experiencing hardship. A timely, respectful conversation can help customers understand the assistance available and decide whether they would like to discuss their circumstances.
28	The Code should require that insurers have readily accessible information (e.g. on websites) about financial hardship support.	Supported. We support making hardship information easy to find. This is a straightforward transparency improvement that enables people to seek assistance.
29	Include a clause in the Code acknowledging that financial hardship presents differently for different people and committing insurers to tailor support to the customer's circumstances and setting out additional examples of flexible support options, including: - considering payment plans to cover a period of hardship; and - facilitating access to and/or representation by financial counsellors or similar consumer representatives.	Supported. We support recognising that financial hardship affects customers in different ways and that support should be tailored to individual circumstances.
30	Amend clause 6.18 to specify that the communication should occur within five days.	Supported. We support timely communication with customers who may need financial hardship assistance and certainty for customers about when they will receive the outcome of their request for hardship support. The final wording should clearly identify when the timeframe begins. A clear trigger will help customers understand when they can expect a response and help insurers apply the timeframe consistently. This may be when a customer requests hardship assistance, or when the insurer becomes aware through a customer interaction that assistance may be needed.

No.	Recommendation	CALI response
31	Include a timeframe of 20 business days before the support ends for clause 6.20.	Alternative industry response. We support receiving clear notices before hardship assistance ends to help customers prepare, understand their payment obligations and seek further support where needed. The Life Code should take into account whether an arrangement has a fixed end date that has already been clearly explained and agreed with the customer. A separate notice may not add meaningful value in these circumstances. The Life Code drafting should consider expectations for timely customer contact and the need to avoid repetitive communications that do not improve the outcome or enhance understanding for customers. The Life Code drafting should make clear what customers will be told, including when assistance will end, what happens next and whether other support options are available.
32	Amend clause 6.8 to include an additional sub-clause requiring insurers to provide an easy-to-find link to “support targeted towards Aboriginal and Torres Strait Islander peoples.”	Supported. We support clearer access to information about support for Aboriginal and Torres Strait Islander peoples. Customer-facing information should be easy to locate, respectful and developed with appropriate community input.
33	Insurers should provide the option for customers to identify as Aboriginal and/or Torres Strait Islander, and seek consent to retain this information, to enable flexible and tailored services.	Recommendation to be considered through the upcoming First Nations priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to work closely with First Nations representatives and subject matter experts to better understand customer experiences, perspectives and needs. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. This collaborative approach will ensure any changes are informed by appropriate expertise, developed in a culturally safe way, and support meaningful customer outcomes.
34	Insurers should examine ways to improve access to interpreters in line with the Code commitment, and as part of the response to the LCCC review.	Recommendation to be considered through the upcoming First Nations priority workstream process and as part of the industry’s response to the Life CCC review. This process is expected to be completed in the first half of 2027 and will provide an opportunity to work closely with First Nations representatives and subject matter experts to better understand customer experiences, perspectives and needs. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. This collaborative approach will ensure any changes are informed by appropriate expertise, developed in a culturally safe way, and support meaningful customer outcomes.

No.	Recommendation	CALI response
35	Expand clause 6.16 to require insurers to provide training to any staff whose work directly interacts with First Nations customers. This should include cultural competency training that covers (but is not limited to) gratuitous concurrence, sorry business and First Nations kinship systems.	Recommendation to be considered through the upcoming First Nations priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to work closely with First Nations representatives and subject matter experts to better understand customer experiences, perspectives and needs. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes. This collaborative approach will ensure any changes are informed by appropriate expertise, developed in a culturally safe way, and support meaningful customer outcomes.
36	Insurers should consult with First Nations representatives on key communication materials specifically targeted to First Nations customers.	Supported. We commit to working closely with First Nations representatives and subject matter experts to better understand customer experiences, perspectives and needs. This collaborative approach will ensure any changes are informed by appropriate expertise, developed in a culturally safe way, and support meaningful customer outcomes.
37	Redraft clause 5.50 to require the insurer to tell the claimant about their decision within 15 business days and within the relevant claims handling timeframe.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
38	Where an insurer reopens a claim under clause 5.57, the claims reassessment should be completed within one month for income-related claims or three months for lump sum claims. Circumstances Beyond our Control should apply to reopened claims.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.

No.	Recommendation	CALI response
39	Regular updates under clause 5.6 should, at a minimum, include: • steps that have occurred since the last update; • anything that the insurer is waiting on from the claimant or a third party; • where the consumer has not provided required information, reiterate the offer to assist the consumer where possible; • where there is a delay with a third party, what the insurer has done to expedite the process and a reasonable estimate of when it is expected to be completed; and • what next steps will be taking place.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
40	Amend clauses 5.59 and 5.60 to reference clause 5.6 in relation to the regular updates required under those clauses.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
41	When asking for information from claimants, insurers should be required to provide reasons for why the information is needed as part of the offer to provide assistance to claimants who may need help obtaining the information under clause 5.3.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.

No.	Recommendation	CALI response
42	Amend clause 5.4 to require insurers to provide a primary contact for all claims and specify that a primary contact must be a real person who is able to assist the claimant with their claim.	Supported. We support customers having a real person who can assist them by explaining the progress of their claim and helping them understand what is required.
43	Amend clause 5.60 to add a requirement that insurers explain why the claim has been delayed, provide a plan that indicates the path to resolution of the claim and how long it will take.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
44	Amend the definition of CBOC to provide a clearer structure, links to other Code commitments and timeframes listed in section 2.5.3 of the Interim Report.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
45	The LCCC should publish data on how insurers use CBOC based on a clearer structure, including the frequency and grounds for CBOC. The reporting framework should be developed by the LCCC in consultation with CALI and Code subscribers	Supported, with final decision by the independent Life Code Compliance Committee.

No.	Recommendation	CALI response
46	Clarify clause 5.42(h) to permit insurers to undertake one defined period of surveillance of no more than four months for each claim. A limited allowance for additional surveillance in exceptional circumstances where material new information comes to light could be included. The reasons for any recourse to this exception should be clearly documented by the insurer.	Alternative industry response. Surveillance is one of the most sensitive tools available in claims assessment. For that reason, it is only used in a small fraction of cases where there is a legitimate and serious reason to do so, where inconsistencies cannot be resolved by other means, and where appropriate approvals and safeguards are in place. The Life Code should place appropriate limits on the use of surveillance by life insurers. We support any single period of surveillance not extending beyond four months. A single surveillance period per claim may be too rigid, particularly in long-duration claims, even where new information has not become available. The final Life Code should not prevent insurers from responding to serious unresolved concerns, including potential fraud, where further assessment is necessary and justified. The Life Code will make clear that each period of surveillance must be separately approved, justified and limited in duration, with senior oversight and documented reasons. This is current industry practice. This would preserve the ability to investigate serious inconsistencies while ensuring surveillance remains exceptional, proportionate and subject to strong controls.
47	A review of the provisions of the Code relevant to mandatory service standards for superannuation should be undertaken as soon as practicable after the finalisation of these reforms. This should not delay the development of a new Code that responds to other recommendations in the Final Report.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer outcomes throughout the claims journey. This process will take into account customer research and testing.
48	Move the three existing Code medical definitions into a separate medical definitions guide (MDG), to be developed through the establishment of an MDG expert panel, while maintaining the existing Code requirements regarding medical definitions.	Supported. We support moving the existing Life Code medical definitions into a separate Medical Definitions Guide, while maintaining the relevant Life Code commitments. The Medical Definitions Guide will need clear governance arrangements, including how definitions are reviewed, who is consulted and how any changes are communicated to customers and insurers. The medical definitions recommendations should be progressed as a connected reform package through the proposed Medical Definitions Guide and expert panel. The expert panel must operate in accordance with relevant competition and consumer laws.

No.	Recommendation	CALI response
49	The Code should require the industry standard definitions to be reviewed by the MDG expert panel at least every three years, with the Panel meeting more often as required. Consultation processes with consumer organisations, AFCA and the LCCC should be built into the Panel's operation.	Supported. We support establishing an expert panel to oversee the Medical Definitions Guide, with appropriate medical expertise, customer input and industry consultation. The design of the panel will be important. Its scope, membership, independence, conflict management and decision-making process should be settled before the review framework is finalised. The medical definitions recommendations should be progressed as a connected reform package through the proposed Medical Definitions Guide and expert panel. The expert panel must operate in accordance with relevant competition and consumer laws.
50	The expert panel should review the three existing Code medical definitions as soon as possible.	Supported. We support the review of the existing three medical definitions. This will help ensure the definitions remain medically current, clearly expressed and capable of being applied consistently. The expert panel must operate in accordance with relevant competition and consumer laws.
51	The Code should include a definition of "obsolete method of diagnosis or treatment".	Supported. We support the creation of the definition "obsolete method of diagnosis or treatment." The medical definitions recommendations should be progressed as a connected reform package through the proposed Medical Definitions Guide and expert panel. The expert panel must operate in accordance with relevant competition and consumer laws.
52	Where clause 2.9 applies to a claims assessment, the Code should require the insurer to clearly explain which definition was applied and the comparative results.	Recommendation to be considered through the upcoming claims handling priority workstream process. This process is expected to be completed in the first half of 2027 and will provide an opportunity to draw on customer experiences, industry expertise and insights from consumer representatives to better understand how claims processes are working in practice. The workstream will focus on identifying how the underlying customer concerns can be addressed and what outcomes, safeguards or Life Code changes may be required to deliver improved customer experiences and outcomes throughout the claims journey. This process will take into account customer research and testing.

No.	Recommendation	CALI response
53	The industry should also consider whether it would be beneficial to include definitions for other medical conditions in the guide and/or definitions that apply to other types of insurance products. Such a review should be undertaken with advice from the Expert Panel and other stakeholders.	Recommendation not supported. We recognise the potential value of definitions that help customers understand important medical terms consistently. However, CALI does not support expanding the number of standard medical definitions at this stage without a clear evidence base demonstrating that additional mandatory definitions would improve customer understanding or outcomes. Any future consideration of additional definitions should be informed by evidence of a clear customer benefit, appropriate clinical expertise, stakeholder consultation and consideration of potential impacts on accessibility, competition and existing products.
54	The Code should include an overarching obligation for education and training requirements on the key elements of the Code for all employees, distributors and service suppliers, which should include: - the requirements outlined in the Code; - the relevant products and services provided by the Code Subscriber; and - dealing appropriately with customers experiencing vulnerability.	Alternative industry response. We support education and training on Life Code obligations, product knowledge and supporting customers experiencing vulnerability. Requirements should be proportionate and may involve different training content and depth based on the role.
55	Replace the definition of ‘pressure selling’ with a definition of ‘unacceptable sales practices including pressure selling’ and update the definition to: - provide additional examples; and - replace the phrase “Using certain techniques to pressure, compel or otherwise encourage someone to buy a policy they do not want” with “Using techniques to pressure, compel or otherwise encourage someone to buy a policy or retain a policy they do not want.”	Supported. We support strengthening the Life Code’s treatment of unacceptable sales practices, including pressure selling. Customers should be protected from conduct that pressures them to buy or retain a policy. The final Life Code wording should clearly distinguish contact that helps a customer understand available options, correct a misunderstanding or make an informed decision.

No.	Recommendation	CALI response
56	The Code should require issuers of funeral insurance to incorporate a “premium guarantee” in the design of products, whereby the benefit paid under a funeral insurance policy would be the higher of: a. The insured sum or cover amount; or b. The total amount of premiums paid. The premium guarantee should also operate to ensure the repayment of premiums to customers whose policies are cancelled after having been held for two years or more.	Recommendation to be considered through the upcoming funeral insurance priority workstream process. This priority workstream will examine how funeral insurance products can support improved customer understanding and deliver good value for money. The workstream will seek to better understand customer needs and perceptions regarding funeral insurance products.
57	Insurers should be prohibited from selling funeral insurance to consumers who are under 40 years of age.	Recommendation to be considered through the upcoming funeral insurance priority workstream process. This priority workstream will examine how funeral insurance products can support improved customer understanding and deliver good value for money. The workstream will seek to better understand customer needs and perceptions regarding funeral insurance products.
58	As part of the sales process, insurers should be required to ask potential customers whether they have an existing funeral insurance policy and be prohibited from selling funeral insurance to consumers who are identified as already having a funeral policy.	Recommendation to be considered through the upcoming funeral insurance priority workstream process. This priority workstream will examine how funeral insurance products can support improved customer understanding and deliver good value for money. The workstream will seek to better understand customer needs and perceptions regarding funeral insurance products.
59	The key facts sheet referred to in clause 2.30 should include the information listed in clause 2.30(a) and (b) and sub-clause (a) should be amended to refer to “variable premiums”.	Supported. We support updating key facts information to reflect current premium terminology. Information should be concise, consistent with the law and focused on material facts customers need early in the decision process.
60	Update the Code to reflect the new premium labels for retail life insurance policies.	Supported. We support updating premium labels throughout the Life Code. Consistent terminology will reduce confusion and make the Life Code easier for customers to understand.

No.	Recommendation	CALI response
61	Introduce a new provision in Section 2 that require insurers to communicate key information about premiums early in the sales process in a clear and upfront manner. This should include: a. The key difference between variable and variable age stepped premiums; b. That premiums are likely to increase over time; c. The impact of the cessation of any discount; d. That premium increases typically get larger as the customer ages. e. Provide an example of premium changes over time.	Alternative industry response. We support clearer, earlier explanations of variable premiums, future increases and the effect of discounts. CALI will update our industry fact sheet to improve premium transparency while aligning with existing disclosure requirements.
62	Amend Section 3 in relation to information provided to customers with existing policies where there is a decision to vary or avoid as above.	Alternative industry response. We support clearer communication when an existing policy is varied or avoided. The Life Code should require understandable explanations while complementing, rather than replicating, protections already provided by law.
63	The current section of the Code titled 'Customers can cancel policies they do not want' should be separated under two separate headings: one using the existing title and one titled 'Insurers may cancel policies in some circumstances'. Existing clauses should be moved under the relevant headings. This should include a commitment that cancellation processes will be transparent, straightforward, and do not require the provision of unnecessary information.	Supported. We support separating customer cancellation rights from insurer-initiated cancellation. Clear headings and straightforward language will help customers understand what action they can take and what an insurer may do.

No.	Recommendation	CALI response
64	Where insurers cancel a policy, they should be required to provide a clear explanation of the reason to the customer.	Alternative industry response. Customers should receive a clear and understandable explanation when their policy is cancelled. The Life Code should complement existing legal cancellation requirements rather than create a separate or inconsistent obligation. The wording should focus on providing customers with the information that can appropriately be shared, in clear language and through a suitable channel, including any available review, reinstatement or complaint options.
65	Include a clause that explicitly states that Code Subscribers will have internal dispute resolution processes that comply with ASIC Regulatory Guide 271.	Alternative industry response. The Life Code will include a clause for life insurers confirming their compliance with the law. These commitments will be outlined in the Consumer Guide to Life Insurance Law. The Life Code should minimise restatement of existing consumer rights under the law and/or other regulatory obligations.
66	Amend clauses 7.13, 7.15 and 7.17 to refer to 'the Australian Financial Complaints Authority' rather than 'an External Dispute Resolution body'.	Alternative industry response. We support updating the Life Code to refer expressly to the Australian Financial Complaints Authority (AFCA) where it is the relevant external dispute resolution body. It is important to note that not all disputes fall within AFCA's jurisdiction or proceed to AFCA, so the final drafting should also recognise and review any other applicable dispute resolution or review pathways to ensure customers receive clear and accurate information.
67	The Code should require insurers to have processes in place to ensure complaints are a feedback mechanism for continuous improvement.	Alternative industry response. Noting this is already addressed through existing requirements in ASIC Regulatory Guide 271. To support the intent of the recommendation, the Life Code will make clear that insurers comply with applicable legal and regulatory obligations, rather than duplicating those requirements in the Life Code. These commitments will be outlined in the Consumer Guide to Life Insurance Law.
68	Clause 4.25 should be amended to require insurers to inform applicants about both the insurer's complaints process and external dispute mechanisms.	Alternative industry response. Noting this is already addressed through existing requirements in ASIC Regulatory Guide 271. To support the intent of the recommendation, the Life Code will make clear that insurers comply with applicable legal and regulatory obligations, rather than duplicating those requirements in the Life Code. These commitments will be outlined in the Consumer Guide to Life Insurance Law.

No.	Recommendation	CALI response
69	Amend clause 7.13 to be consistent with clause 7.17. Sub-clause (d) of both clauses should specify that information will be provided on how to contact AFCA and any time limit for doing so.	Alternative industry response. Noting this is already addressed through existing requirements in ASIC Regulatory Guide 271. To support the intent of the recommendation, the Life Code will make clear that insurers comply with applicable legal and regulatory obligations, rather than duplicating those requirements in the Life Code. These commitments will be outlined in the Consumer Guide to Life Insurance Law.
70	Remove 'Appendix A: Moratorium on Genetic Tests in Life Insurance' and clause 4.17 from the Code.	Supported. We support removing outdated genetic testing provisions following legislative change. This will help ensure that the Life Code reflects the current legal and policy environment.
71	The current set of overall principles, promises and objectives are replaced by a more concise and focused set of guiding principles that is developed by industry members, with appropriate stakeholder consultation.	Supported. We support replacing overlapping principles with a concise, customer-focused framework. Any new principles will be developed collaboratively and clearly explain what customers can expect from insurers.
72	The Code should contain a link to all CALI industry guidelines and protocols.	Supported. We support including a link to relevant CALI industry guidelines and protocols to improve transparency.
73	Separate out the provisions on mental health (clauses 4.12-4.14), family medical history (clauses 4.15-4.16) and HIV (clauses 4.17A-4.17C).	Supported. A clearer structure will make important information easier to locate and reduce confusion.
74	Update the phrase "Human Immunodeficiency Syndrome" in section 4 of the Code to "Human Immunodeficiency Virus".	Supported. We support updating to accurate terminology.
75	CALI should work with the Financial Services Council (FSC) to remove its HIV/AIDS underwriting guidelines.	Supported. This work has been completed.

No.	Recommendation	CALI response
76	The LCCC should conduct an inquiry on how insurers approach decisions for customers who disclose HIV or other blood-borne viruses that includes: - insurers' procedures and policies implemented to ensure compliance with requirements of the Code and anti-discrimination legislation relating to HIV and other blood-borne viruses; and - statistics on coverage denials or less favourable terms offered to people with HIV and other blood-borne viruses.	Supported, with final decision by the independent Life Code Compliance Committee.
77	Following the completion of the LCCC inquiry, CALI should consider further industry collaboration with HIV and hepatitis associations, and the need for any changes to the Code.	Supported. We support ongoing engagement and collaboration with HIV and hepatitis organisations, consumer representatives and other relevant stakeholders following the completion of the Life CCC inquiry. The industry will continue to learn from emerging evidence, lived experience and developments in community expectations and practice. Any consideration of changes to underwriting approaches or the Life Code should be informed by a clear evidence base, including relevant medical and actuarial evidence, to support fair and sustainable customer outcomes.
78	Amend clause 8.4 of the LCCC Charter to: - Remove the restrictions on applying a Community Benefit Payment sanction to Code breaches that have been reported, or are reportable, to ASIC (but retain the requirement to take into account any compensation awarded as a result of an ASIC regulatory action); - Remove prescriptive thresholds for the application of CBPs based on the amount of affected people; and - Take into account any compensation awarded by AFCA related to the Code breach.	Supported. We support the removal of restrictions on applying a Community Benefit Payment sanction noting that such sanctions will still require the Life CCC to take into account any compensation awarded by AFCA or ASIC regulatory action.

No.	Recommendation	CALI response
79	Enable the LCCC to name insurers involved in inquiries and reports without attributing specific data or outcomes to individual insurers.	Supported. We support transparency in inquiries and reporting, provided appropriate safeguards are in place.
80	Amend the definition of ‘Significant Breach’ to: • Replace ‘Determine’ with a lower-case version; and • Add the “duration of the breach and/or time it remained undetected” as a factor that the LCCC can refer to in considering whether a breach is a Significant Breach.	Supported. We support clarifying the drafting and recognising that the duration of a breach, including how long it remained undetected, may be relevant when assessing its significance.
81	Amend clause 8.13 to clarify that all significant breaches of the Code should be reported to the LCCC while minimising duplicative reporting.	Supported. We support the reporting of all significant breaches of the Life Code to the Life CCC in a manner that minimises duplicative reporting of the same or similar issues to multiple regulators.
82	Limit the LCCC’s ability to investigate a breach reported matter if it is already under investigation by a regulator.	Supported. We support limiting further investigations on an issue if the same issue is already under investigation by ASIC or another regulator.
83	CALI should not seek designation of any code provision as an ASIC enforceable code provision.	Supported. We do not intend to seek ASIC designation of Life Code provisions as enforceable provisions. The Life Code is supported by a well-established self-regulatory framework, including independent governance, monitoring, reporting and breach oversight mechanisms that promote accountability and drive continuous improvement across the industry. We consider the current framework strikes an appropriate balance between consumer protection, industry accountability and the flexibility needed to respond to emerging issues and evolving customer expectations. The focus should remain on maintaining a robust and effective self-regulatory regime that delivers meaningful customer outcomes.

No.	Recommendation	CALI response
84	The Code should be developed to enable contractual enforceability in new customer contracts, including the removal of clause 8.10. A process to consider how this can be implemented should be commenced by CALI following the proposed work on mental health. This should form part of the terms of reference for the next Code review.	Supported. We support the recommendation for contractual enforceability to form part of the terms of reference for the next Life Code review. We will start a process to consider how this can be implemented prior to the next review.
85	The Code should be reviewed every five years.	Supported. We support moving to a five-year review cycle, with the next cycle to commence five-years post-implementation of the new Life Code. The development of Life Code 3.0 is informed by a substantial independent review, extensive stakeholder consultation and significant proposed changes across the Life Code. Following implementation, insurers, customers and the Life CCC will require sufficient time to operate under the new framework and assess whether the changes are achieving their intended outcomes in practice. One of the terms of reference objectives was to enhance outcomes for customers. Following the extensive changes proposed through this review, sufficient time will be needed for customers to experience the new protections and for insurers, the Life CCC and stakeholders to assess whether those changes are delivering the intended benefits in practice. A review commenced too soon after implementation may not provide a meaningful opportunity to evaluate customer outcomes or identify where additional improvements may be required.



