

# A GUIDE TO HOME INSURANCE CLAIMS

Follow these steps to lodge a claim

Making a home insurance claim might seem overwhelming, but following a few simple steps can make the process easy and straightforward.

## Step 1. Contact your insurer

Contact your insurer as soon as possible after the event occurs, even if you don't know the full extent of the damage yet. Certain policies may have a time limit to lodge a claim, so check your policy.

## Step 2. Start the claim

Your insurer can help you, even if you don't have your insurance information. Ask them to give you details about the key features of your insurance, including inclusions and exclusions, excesses, and sums insured. If you delay reporting your claim, your insurer may not pay for any loss or damage caused by your delay.

Once submitted, your insurer will review your claim to see if your policy covers the event or circumstances you are claiming for. The insurer must respond to your claim in 10 business days. If they need more information before deciding, they will let you know what they need within that time.

Once your insurer has all the relevant information, they have another 10 business days to tell you if they accept or deny your claim.

## Step 3. Get assessment and decision

The nature of your claim will determine how long it takes for your insurer to make a claim decision. For example, the decision may take longer if your claim is more complex and needs specialist reports.

If your home has been damaged or destroyed, the insurance company will assign a Loss Assessor or Loss Adjuster to assess your claim. They will tell you within five business days of appointing that person and let you know what their role is.





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## Step 4. Review the scope of works

If your claim is approved and involves rebuilding or repairs, you will get a written report that will need to be reviewed and signed. This is known as a 'scope of works' or 'statement of works'.

This sets out the repair or rebuild work that will be completed, and the products that will be used.

### Make sure you check:

- ✦ what will be repaired or replaced
- ✦ what won't be repaired or replaced
- ✦ the materials being used
- ✦ any dependencies on the work being done. For example, you may need to pay for repairs not covered by your policy before work covered by your insurance starts.

If you have trouble understanding your scope of works, call your local **Community Legal Centre**.

The information in this Fact Sheet is intended to provide general information and guidance and you should obtain your own professional advice before following any of the information provided.

## Step 5. Repair or rebuild

### To settle your claim, your insurer may offer to:

- ✦ handle the repairs or rebuild of your home
- ✦ offer you a cash settlement, or
- ✦ a combination of both.

### If you receive a cash settlement:

For advice on what to do with your cash settlement, visit **Mob Strong Debt Help**.

Your insurer will send you a document called the 'Cash Settlement Factsheet' before you receive the cash settlement. You should review this document very carefully before agreeing to proceed.

### If your claim is denied:

If your claim is denied, the insurer must provide in writing:

- ✦ what part of your claim they did not accept
- ✦ the reasons for their decision
- ✦ your right to ask for copies of any reports they relied on to make their decision
- ✦ how you can complain about their decision.

If you ask for copies of reports used to assess your claim, your insurer must send them to you within 10 business days.

If you are unhappy with the decision or disagree with the assessor's report, ask your insurer for information on making a complaint through their internal dispute resolution.

If you are not satisfied with the outcome of the internal review, you can contact the **Australian Financial Complaints Authority (AFCA)** to make a complaint.

### Common terms you may come across:

- ✦ **Product disclosure statement (PDS):** A document provided by your insurer to explain what the insurance covers, what it doesn't cover, and any special conditions you need to know about. It is best to read this on a laptop or computer screen rather than on a phone, or you can ask your insurer to post it to you.
- ✦ **Premium:** The amount of money you pay to an insurance provider for coverage.
- ✦ **Excess:** The amount of the insurance claim that you have to pay, this amount is on your insurance policy. Usually, a higher excess will mean you pay a lower premium. Be sure to check you can pay the excess when the time comes.
- ✦ **Exclusions:** What is not covered by your insurance.
- ✦ **Home Insurance:** Home insurance covers the building and fixtures, for example, plumbing and built-in cabinets. It can also cover legal costs if injured on your property.
- ✦ **Contents Insurance:** Contents insurance covers your household items and personal belongings if they are damaged, lost or stolen.
- ✦ **Cash settlement:** A payment the insurance company offers to the customer due to their claim.
- ✦ **Scope of works:** a document that helps to determine what damage to your property is covered by your insurance policy.

For more information on home insurance visit [moneysmart.gov.au/home-insurance](https://moneysmart.gov.au/home-insurance)