



# Financial Hardship FAQ

December 2020



## **Introduction**

The purpose of this FAQ document is to provide you with additional information specific to underwriting agencies, third party administrators and their collection agent & legal firm suppliers.

This document forms part of a financial hardship information pack which aims to assist you with strategies to recognise and support customers that may be experiencing financial hardship.

For more information please contact your QBE relationship manager and refer to the QBE Financial Hardship website page.

**[www.qbe.com/au/about/governance/financial-hardship](http://www.qbe.com/au/about/governance/financial-hardship)**

## Financial Hardship Frequently Asked Questions

### 1. What to do if a customer is not able to provide information to support their application for financial hardship

Each customer's situation and their experience of financial hardship is unique. You can expect that some customers may not be comfortable to tell you directly the details of their circumstances. When in a situation that a customer is not forthcoming it is important to respond with empathy and enquire if the customer is willing to contact QBE to get support.

Irrespective of the customer's answer, please contact QBE to inform us of the situation.

### 2. Do we have any information on supporting vulnerable customers?

Yes, you can find information for our partners who are supporting customer experiencing vulnerability on the QBE website:

[www.qbe.com/au/brokers/support/supporting-vulnerable-customers](http://www.qbe.com/au/brokers/support/supporting-vulnerable-customers)

### 3. Why do we have to refer customers to QBE? Does that cause a bad "Customer experience"?

QBE care about customer outcomes and want to be part of the support that is available to customers, especially when they are in vulnerable situations including financial hardship. QBE's response will be reflective of each customer's circumstance and may not always be stepping-in to directly work with the customer.

The obligations that QBE subscribe to through relevant regulation is clear and appropriate on the responsibilities we own as an insurer. We are committed to working with you to identify and support customers in the manner which best provides the extra help needed.

### 4. We sell through intermediaries with no direct contact with customers. Does the intermediary need to be advised to contact QBE?

When collecting money on QBE underwritten policies for a claims excess or recovery the information shared with the customer must contain information about the QBE financial hardship process along with related contact information.

That information can be a guide to all those involved in the collection on the way to refer the customer to QBE. In addition you should make sure that the entities that may be involved in any collection activity on QBE policies are aware of the QBE financial hardship process.

### 5. What scope does the QBE financial hardship policy have when the person that we are collecting debt from is not the insured?

For instance, in strata the unit owner is not our insured but they are generally tasked with paying the excess by the strata unless a claim relates to common property.

The QBE financial hardship policy applies to all circumstances where money is being collected on behalf of QBE.

In the example described the Recognise, Respond and Refer model would apply: If a financial hardship trigger was recognised in communication with the strata unit owner, respond with empathy and then provide the strata unit owner with QBE's financial hardship information via email or post (ensuring you use the person's preferred method of contact), refer them to the QBE website or ask them to call 1300 650 503.

The strata unit owner can email QBE directly at [customercare@qbe.com](mailto:customercare@qbe.com)

As soon as you recognise a customer is experiencing financial hardship, it is important that you let QBE know within 1 business day.

6. After recognising a customer is experiencing financial hardship and referring them to QBE's Customer Care team, when will we hear back?

If necessary, we will request supporting information from the customer or their representative. The customer has 21 days to supply the information.

Once we receive supporting information from the customer within 21 calendar days, we will advise the customer and you of the outcome and next steps.

7. When doing a recovery if a customer is experiencing financial hardship, should we obtain evidence prior to referring the customer to QBE?

You are not required to collect evidence from the customer. You are asked to provide the customer with QBE's financial hardship information via email or post (ensuring you use the customer's preferred method of contact), refer them to the QBE website or ask them to call 1300 650 503.

If the customer shares information with you which is relevant to their financial hardship ask the customer for permission prior to passing any of the details onto QBE.

8. If we are collecting a sizeable debt, above \$10,000, do we have to accept a small payment proposal?

Please actively listen to customers and identify the triggers that may indicate they need support in one way or another. When the customer suggests a small payment proposal it may be indicative of financial hardship.

If you recognise that the customer might be experiencing financial hardship provide the customer with QBE's financial hardship information ensuring you use the customers preferred method of contact.

QBE will complete a review of supporting information. If financial hardship is applicable the types of assistance we can provide are extending the due date, a payment plan, reducing the debt, waiving the debt or a combination.

QBE will advise you and the customer of the outcome of the financial hardship assessment and the decision made.

9. What information do lawyers or recovery agents need to provide when advising of QBE's financial hardship support?

Letters and correspondence should contain details about QBE's financial hardship process along with related contact information. These details be found on our website:

<https://www.qbe.com/au/about/governance/financial-hardship>

For an example of the inserts you can add to your correspondence please refer to the recovery letter which forms part of the financial hardship information pack.

If you recognise a customer is experiencing financial hardship, provide the customer with Financial Hardship information:

[QBE Financial Hardship Flyer](#), [QBE Financial Hardship Application](#)

10. What should we do if we recognise a customer experiencing financial hardship after proceedings are issued or a matter is at pre-action stage with a demand made for \$10,000 or more?

At any stage in a debt collection timeline once financial hardship is identified please refer the customer to QBE.

In addition contact QBE to advise us of the circumstances so that we can treat the matter as an urgent referral.

Depending on the circumstances, the customer may need to provide information. Once this is received QBE will prioritise the review to get a decision as quickly as possible.

11. If a customer disputes liability and also advises that they don't have the means to pay the amount owed. Is this recognised as financial hardship?

If a customer indicates that they don't have means to pay the amount owed provide them with QBE's financial hardship information:

[QBE Financial Hardship Flyer](#), [QBE Financial Hardship Application](#)

Once QBE complete a review of the customers information we will advise you and the customer of the outcome along with the next steps.

In addition, as in this instance the customer is also disputing liability, encourage them to present their reasons to the claims or recoveries team. If the customer is still unsatisfied, they are able to raise a complaint. Complaints can be emailed to [complaints@qbe.com](mailto:complaints@qbe.com) or via phone on 1300 650 503

12. What happens if we recognise financial hardship but the customer does not want to provide details?

Respond to the customer with empathy and reassurance that that information that they provide to QBE in regards to their financial hardship we will be respectful of the personal sensitivity as set out in QBE's privacy policy: <https://www.qbe.com/au/about/governance/privacy-policy>

Please provide the customer with QBE's financial hardship information via email or post (ensuring you use the customer's preferred method of contact), refer them to the QBE website or ask them to call 1300 650 503.

The customer can email QBE directly at [customercare@qbe.com](mailto:customercare@qbe.com)

13. Once we commence legal proceedings to collect a debt we will have a court timetable to adhere to. What do you want us to do if financial hardship is recognised after the proceedings have commenced?

After providing the customer with QBE financial hardship information. If the customer has outlined personal private information to you, please get their permission to pass on the details to QBE.

Please refer the matter to QBE using the contact details for an urgent escalated referral.

## Important:

If a customer is in immediate danger (e.g. threatens self-harm, family violence) this should be reported to your manager and the relevant emergency services should be notified urgently.

## External Referral Pathways

Referral	Number/ Website	Description
National Debt Helpline	1800 007 007 9.30am to 4.30pm, Monday to Friday	Ability to talk to a financial advisor and to gain access to a financial advisor in your area.
Centrelink	132 850 8am to 5pm, Monday to Friday.	Centrelink provides two kinds of emergency payments to people eligible for income support; crisis payment and advance payment
Money Smart	<a href="https://moneysmart.gov.au/">https://moneysmart.gov.au/</a>	Helping Australians take control of their money and build a better life with free tools, tips and guidance
Uniting Kildonan Financial Counselling Services	1800 002 992 <a href="https://www.unitingkildonan.org.au/programs-and-services/financial-support/financial-counselling/">https://www.unitingkildonan.org.au/programs-and-services/financial-support/financial-counselling/</a>	The financial counselling service supports people on low incomes and those experiencing financial difficulties to achieve financial security and independence.

## QBE Referral Pathways

Referral	Number/ Website	Description
Customer Care	<a href="mailto:customercare@qbe.com">customercare@qbe.com</a> 1300 650 503	Can be used by both employees and customers to contact QBE in relation to lodging a financial hardship application or making enquiries
QBE Website	<a href="http://www.qbe.com.au">www.qbe.com.au</a>	Can be used by employee and customers to obtain information regarding financial assistance and can lodge applications via the website.
Customer Care Team Leader – Tammy Bennett	02 8862 8238 <a href="mailto:tammy.bennett@qbe.com">tammy.bennett@qbe.com</a>	Escalation or Urgent Assistance

