

# How can genetic or genomic testing impact your insurance policies?

## What happens currently?

In Australia, private *health* insurance is NOT affected by genetic or genomic testing results. But *life* insurance, such as cover for death, disability, trauma, income protection, CAN be affected. Life insurance companies may increase premiums, exclude certain conditions or deny policy applications, above set financial limits, based on genetic or genomic test results.

## So, what do I have to tell insurance companies?

By law\* applicants for new life insurance policies are required (when asked) to honestly answer questions from insurers about information that is relevant to their decision. This can include genetic test results, and personal and family medical history (first-degree relatives only – parents, children, and siblings).

**You do not need to disclose genetic test results of relatives and you are not required to get a predictive genetic test to see if you are at risk, without having symptoms.**

\* *Australian Government Insurance Contracts Act 1984 (Cth)*

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The Financial Services Council (FSC) Moratorium on genetic tests for life insurance – what does this mean for me?

## **Moratorium = a temporary ban**

The FSC is the peak body for the life insurance industry in Australia. From 1 July 2019, the FSC put in place a partial ban on the use of genetic test results until June 2024. This means that people can apply for certain levels of cover without having to disclose previous genetic test results. The Moratorium limits for the different types of personal and group life insurance you can have in total with all life insurance companies are:

- \$500,000 of death or total permanent disability cover
- \$200,000 of trauma and or critical illness cover
- \$4,000 a month in total of income protection, salary continuance and/or business expenses cover

If you already have cover in place, you don't have to tell your insurer about new genetic test results that you receive after you took out your policy.

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However, you may want to apply for a new policy, or for an increase in the value of an existing policy, which is greater than these financial limits. In this case, you may be asked to provide results of previous genetic tests. More details on the Moratorium can be found on [FSC website](https://www.fsc.org.au/resources-category/standard/1779-standard-11-moratorium-on-genetic-tests-in-life-insurance/file) (fsc.org.au/resources-category/standard/1779-standard-11-moratorium-on-genetic-tests-in-life-insurance/file).

Currently, all life insurance companies are members of the FSC and so they are required to comply with the Moratorium. The Moratorium is a minimum standard so you might find a better deal if you shop around.

It is important to note that this factsheet reflects the current situation in Australia and there may be changes to insurance guidelines in the near future. Please speak with your health or financial professional if you want to know how you may be affected.

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## Position of Australian Genomics

Australian Genomics believes that there needs to be regulation on the use of genetic testing results by life insurance companies.

Australian Genomics supports:

- The Australian Government taking a leading role in regulating the use of genomic information by the life insurance industry.
- Having a moratorium (temporary ban) on the use of genetic test results by insurance companies in place until a national regulatory approach is developed.

If you would like to view the Australian Genomics position statement on Insurance please [click here](#).

[\(australiangenomics.org.au/position-statement-use-of-genomic-information-in-life-insurance-and-related-policies-2/\)](https://australiangenomics.org.au/position-statement-use-of-genomic-information-in-life-insurance-and-related-policies-2/)

