



<http://understandinsurance.com.au/financial-hardship>

Financial hardship

Financial hardship means you are unable to meet your obligations to an insurer. This could happen because you have lost your job, you're suffering from an illness or disability or you have received some unexpectedly large bills.

A financial counsellor can help you work out your options. When you call the national financial counselling hotline on **1800 007 007**, you will be automatically put through to the free financial counselling service in your state.

Need for urgent financial assistance

If you get into a situation where you're in urgent need of the benefits you're entitled to under your insurance policy – for instance, if you're travelling overseas under a travel insurance policy and your wallet is stolen – you can contact your insurer and let them know what has happened. If your insurer is satisfied that you are in urgent financial need, they will either fast-track your claim, and/or make an advance payment to you within five business days.

Missing a payment

If you pay an insurance policy in monthly instalments, and you miss a payment, contact your insurer as soon as possible, because if your instalments remain unpaid for more than a month, your insurer may cancel your policy.

If you make an insurance claim and due to financial hardship you don't think you can afford to pay your excess, let your insurer know as soon as possible so that they can discuss options with you.

Owing money to insurers

You can owe a debt to an insurer when you are not their customer – for example, if you cause a car accident and you don't have insurance, the insurer of the other car can seek payment for the damage from you. If you're experiencing financial hardship, you can work with the insurer to come up with a repayment arrangement that is affordable for you. This could involve extending the period of repayment and reducing the amount of each payment and/or postponing payments for an agreed period.