

A simpler claims process for Kaikoura

We're taking a new approach to settling claims resulting from the Kaikoura Earthquakes.

EQC has signed an agreement with Insurance Council of New Zealand members that offer home and contents insurance: AA Insurance, FMG, IAG (State, AMI and NZI), MAS, QBE, Tower, Vero and Youi.

The agreement means that customers with claims for earthquake damage to their homes and/or contents will work with their private insurer only, from lodgment to final settlement. EQC will continue to take care of land claims.

Making a claim - what you need to do

Make sure you lodge your claim with EQC or your private insurer, by 14 February 2017. You do not need to wait to hear from EQC or your insurer to lodge your claim.

If you have already lodged your claim with EQC you don't need to do anything. We will transfer your claim to your insurer and they will be in contact regarding assessment and settlement.

EQC will continue to take care of claims to do with land.

EQC will continue to assess and settle land damage claims as these are not usually covered by private insurance policies. We will endeavour to assess your land damage at the same time that your private insurer assesses your dwelling and/or contents – if they are making a site visit. However in some case due to the geographic spread and nature of some land damage you may get a separate visit from EQC regarding your land claim.

What happens after you lodge your claim

If you have lodged a claim for damage to your dwelling and/or contents, your private insurer will assess and settle your building and contents claims.

In some cases the assessment may be done over the phone or by email, while in other cases an assessor will need to visit.

If you have already lodged your claim with EQC we will transfer your claim to your insurer and they will be in contact regarding assessment and settlement.

You should direct all questions concerning your home and contents claim to your insurer.

Your entitlements remain the same

EQC Cover is for residential property only and your entitlements under the Earthquake Commission Act (EQC) Act remain the same.

Who is doing what?

EQC will monitor, assess and report on the new approach to make sure it works for you, and to ensure we make improvements for the future. We will train private insurance assessors on the specific requirements of the EQC Act.

FOR MORE INFO VISIT WWW.EQC.GOV.T.NZ/CLAIMS OR CALL **0800 DAMAGE (326 243)**

OUR MISSION: TO REDUCE THE IMPACT ON PEOPLE AND PROPERTY WHEN NATURAL DISASTERS OCCUR.

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The new settlement approach

An agreement between private insurers and the Earthquake Commission (EQC) will simplify how home and contents insurance claims are resolved for people affected by the Kaikoura Earthquake.

Under the agreement, private insurers will act as EQC's agents and receive, assess and settle home and contents claims for earthquake damage from their own customers, even those claims that are under the EQC cap. EQC will assess land damage as land is not covered by private insurance policies.

Why is this being done?

EQC and insurers want to provide a streamlined claims experience for people affected by the Kaikoura earthquakes.

Insurers are professional claims managers well equipped to handle events such as these.

Customers will be dealing with their own insurer.

This will deliver efficiencies for everyone by reducing double handling through less assessments and handovers between organisations which will speed up settlements.

Does this change what's covered under the EQC Act and my insurance policy?

No. The joint approach does not change the entitlements you have under your policy or the Earthquake Commission Act (the Act). EQC has provided training to insurance companies on the specific requirements of the EQC Act. Insurers are simply acting as EQC's agent so that you have a more streamlined claims experience, without the need for multiple assessments.

How will I know if my insurer is part of the arrangement?

Insurance Council of New Zealand members that offer home and contents insurance and have agreed to this new approach are: AA Insurance, FMG, IAG (State, AMI, NZI, Lumley and Lantern brands as well as policies insured through ASB, BNZ and Westpac), MAS, QBE, Tower, Vero (including AMP, ANZ and Warehouse Money policies underwritten by Vero) and Youi.

Does this agreement apply to all customers who have lodged a claim for damage from the Kaikoura earthquakes?

The following claims are out of the scope of this agreement and will be managed by EQC:

- all land claims;
- all claims relating to properties with prior EQC earthquake claims that are still open or otherwise unresolved (including all outstanding remedial claims, complaints and litigation from the Canterbury Earthquake Events)
- all claims by customers with direct cover with EQC or whose insurer is not a party to the agreement.

How are private insurers approaching the recovery?

Insurers are currently responding to the most serious of cases. These are where damage to property is so significant that homes are uninhabitable or work premises are unusable. When this phase of the response is concluded insurers will commence assessment of all damaged properties that have been notified to them. If customers have issues regarding their home or work place that impact on their safety or ability to occupy their home then they should call our disaster response line immediately and advise us of their situation.

What are the priority areas?

Insurers are responding in all areas where serious damage has been notified. This is particularly so in North Canterbury/Kaikoura but other areas such as South Marlborough and parts of Wellington and especially the Wellington CBD are our current focus due to the extent of damage and requests for assistance.

How can I be sure that my insurer is settling me on the same basis as other insurers?

Your insurer will act as EQC's agent to settle your claim. They are settling claims in accordance with the EQC Act. All insurers will use the same set of guidelines provided by EQC.

What if I don't agree with my assessment/settlement?

EQC and insurers are working out a streamlined complaints process to best help the customer. The outcome will be the customer will have access to a free, independent dispute resolution mechanism similar to the current ombudsman schemes.

What will be assessed and settled and by whom?

Claim type	Who will assess and settle
Contents	Private insurers
Building	Private insurers
Contents & building	Private insurers
Land only	EQC
Land and building	EQC and Private insurers
Land, building & contents	EQC and Private insurers

Who do I contact to lodge a claim?

If you have already lodged your claim with EQC you don't need to do anything.

EQC will transfer your claim to your insurer and they will be in contact regarding assessment and settlement.

If you haven't lodged a claim yet, you should contact your private insurer.

When will an assessor visit my property?

Your insurer will let you know timeframes and next steps. Private insurers have already started assessing the worst affected properties in the most impacted areas.

Assessment may require a site visit. If an assessor needs to visit your property, they will have identification and they will arrive at a time agreed with you.

Land assessments by EQC will begin in 2017. At the moment EQC is analysing land damage information from geo-technical engineers, to help plan these assessments.

In some cases, such as for contents, you may simply be asked to provide specific information about damaged goods. It's useful to photograph the damage and broken items as these will help to support your claim.

You do not need to see an assessor before you lodge a claim.

Will my insurer manage my repairs?

Each insurer will communicate their settlement strategy directly with their customers.

Most insurers will cash settle repairs. We suggest that you contact your insurer as some insurers in some circumstances may offer a managed repair option.

Some insurers will be supporting vulnerable customers to get home repairs carried out. Insurers are concerned about the health and wellbeing of the people at risk of extreme hardship so please make your insurer aware if you are elderly or have small children, have health issues, have mental or physical disabilities, are under financial stress or are geographically isolated.

What does a cash settlement cover?

The amount you get paid out for loss of or damage to your home or contents will match the provisions set out in your insurance policy with your private insurer.

If your claim is under cap the cash settlement will comply with the provisions of the EQC Act.

Will I have to pay an excess?

EQC excesses apply and will be deducted from your settlement payments.

More information on excess deductions is here.

If your claim is overcap an additional excess may apply. Please check your policy or speak to your insurer about this.

I need to get some urgent work done to make things safe for me and my family. How do I do that?

Talk to your insurer – in most cases customers can go ahead and organise emergency or temporary repairs and will be reimbursed once they give the receipts to their insurer, or your insurer can arrange the emergency repairs and pay the contractor directly. Examples of ‘make safe’ repairs are hot water cylinders, chimney removal, and temporary plywood walls.

Any payments your insurer makes for urgent work is likely to be deducted from your final settlement.

I have already done some urgent work and sent the invoice to EQC what should I do about this?

Any information that is relevant to your claim is now part of your claim file which EQC will pass on to your insurer.

If you are concerned, you could contact your insurer to make sure they have received the invoice and any other information you have supplied. If you have been reimbursed for urgent works, then this will likely be deducted from the final settlement.

I have already lodged a claim but I've noticed new damage since an aftershock. Who should I talk to about this?

Talk to your insurer – they are handling all aspects of your claim including new damage. If this new damage is to your land, your private insurer will pass this information to EQC.

Under the privacy laws can EQC and private insurers share my personal claim information?

Yes. Information that you provide is used to manage, assess and settle claims. As private insurers are acting as EQC agents to settle claims arising from the Kaikoura earthquakes, they are able to share your information so work can be completed.

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