

Mental Health

Frequently Asked Questions



Q1

How common are mental health conditions in Australia?

- Mental health conditions are the largest single cause of disability in Australia, accounting for 24% of the burden of non-fatal disease
- 20% of Australian adults will be affected by a mental health condition every year, with 8.5% of Australian adults experiencing more than one mental health condition at the same time
- 45% of Australians will experience a mental health condition in their lifetime
- The most common mental health conditions are anxiety disorders, mood disorders (including depression) and substance abuse disorders
- Half of Australian adults who experience a mental condition are not accessing regular treatment, and others may be receiving inappropriate or ineffective care

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1 in 5 Australian adults reported having a mental health condition within the past 12 months.



Q2

How are mental health conditions diagnosed?

Mental health conditions are diagnosed based on a history of symptoms reported to and observed by a mental health professional. In some cases, a diagnosis may change over time as further history, signs or symptoms become apparent or known to the diagnosing professional. Often, more than one diagnosis may apply at the same time.

The most commonly used diagnostic tool in Australia is the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders (DSM), which is currently in version 5. The DSM is the product of more than 10 years of effort by hundreds of international experts in all aspects of mental health.

Q3

How do mental health conditions affect life and disability insurance in Australia?

- In 2017, Zurich paid more than \$208 million in life and disability insurance claims
- Within the Australian Industry, mental health conditions are the third most common direct cause of Total and Permanent Disablement (TPD), and second most common cause of Income Protection (IP) claims

Q4

Do I need to tell Zurich about my client's mental health history?

We know this is a sensitive subject, but it's important for us to review your client's history to decide the best available insurance terms for them. In some cases we might need to contact the mental health professional who has treated your client, to ensure we have a complete understanding of the history. When making a risk assessment, our underwriting team will consider both the personal circumstances and the latest industry research on mental health.

When your client applies for insurance cover they have a legal duty to disclose any matter that they know or could reasonably be expected to know that would be relevant to the insurer's decision whether to accept the risk of insurance. For life and disability insurance, this includes a history of a mental health condition or treatment. It's very important that the application is completed accurately and honestly, to ensure that the most appropriate policy terms are offered at time of underwriting.

Q5

Will Zurich exclude your client from any mental health claim just for speaking with a doctor about life stressors or grieving the loss of a family member?

Zurich won't place a mental health exclusion simply on the basis of a previous discussion with a GP or Counsellor alone. Our decision will consider a range of features including:

- Any diagnosis which has been made
- Types of treatment received (i.e. medications or cognitive behavioural therapy)
- The impact symptoms have had on the ability to work or study
- The nature, severity and duration of the symptoms and how they have been managed
- General health and lifestyle, work and family history

Q6

What if your client experienced mental health issues in the past but no longer does?

Studies have shown that mental health conditions are highly recurrent, and any history of a previous mental health condition will increase the likelihood that a mental health condition may occur again in the future. If your client has previously experienced or sought treatment for a mental health condition, then this may be considered to be a pre-existing condition which could impact the future risk of claim. In these cases Zurich may impose additional loadings or exclusions on the policy, or we may decide the condition poses little risk, in which case we will cover it as normal.

In 2016 Zurich considered insurance cover for over 8000 Australians who had experienced a history of a mental health condition, and less than 4% of those customers were declined cover due to their mental health condition. Of the policies offered to customers providing life and trauma cover, less than 5% of policies had a premium loading, and of those providing Total and Permanent Disablement (TPD) and Income Protection cover only 30% of policies included a mental health exclusion.

Q7

Why does Zurich's mental health exclusion appear to cover more than just the diagnosed condition of my client?

When providing insurance, an insurer can only make a decision about insurance cover at the time of underwriting. Policies are guaranteed renewable and terms of cover cannot be altered by the insurer after the policy has started (unless there is a breach of disclosure). To properly manage the risk of future claim, an insurer needs to consider all conditions which might reasonably be at risk of diagnosis in the future.

The presence of one mental health condition can make other conditions more likely - for example, anxiety disorders are more common where someone has suffered depression. A mental health diagnosis may also change over time as further history, signs or symptoms become apparent or known to the medical professional. In order to appropriately manage this risk, Zurich's mental health exclusion is broad in nature but refers to the specific diagnostic tool DSM (Diagnostic and Statistical Manual of Mental Disorders) used to diagnose mental health conditions.

Q8

And what about conditions with medically unexplained symptoms?

Conditions like chronic fatigue syndrome, fibromyalgia and multiple chemical sensitivity often have medically unexplained symptoms, which can be associated with significant disability. The risk of being diagnosed with these conditions increases in people with a history of mental health conditions and vice versa. For these reasons, where Zurich has placed a mental health exclusion on the policy, it will also exclude any condition that isn't supported by abnormal test results (medical imaging, pathology or blood tests) and relies on medical symptoms alone.



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2017 CLAIMS IN LIFE AND DISABILITY
INSURANCE PAID IN AUSTRALIA

Zurich Australia Limited
ABN 92 000 010 195, AFSLN 232510
5 Blue Street North Sydney NSW 2060
Zurich Customer Care
Telephone: 131 551
www.zurich.com.au

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Useful resources:

Beyondblue provides people with 24 hour a day information and support for a range of mental health issues.

Phone: 1300 224 636

Website: beyondblue.org.au

Mental Health Australia is an organisation that strives to affect reform in Australia by providing people with a better understanding of the effects of mental illness.

Phone: (02) 6285 3100

Website: mhaustralia.org/

MindHealthConnect is a mental health resource that provides users with information about mental health issues and online programs.

Website: mindhealthconnect.org.au

Mental Health Council of Australia is an independent body that provides people who have suffered discrimination because of their mental illness with an avenue for recourse.

Website: mhca.org.au

SANE is a charity designed to help young people who have been affected by mental illness.

Website: sane.org

ReachOut Pro provides information about mental health.

Website: <http://about.au.reachout.com/tag/reachout-pro/>

Black Dog Institute provides information about bipolar disorder and depression.

Website: blackdoginstitute.org.au

BlueBoard is an online support group for people are suffering from or those whose lives have been impacted by a range of mental health conditions.

Website: blueboard.anu.edu.au

e-couch is a self-help interactive mental health program.

Website: ecouch.anu.edu.au

Headspace provides young people specifically with advice, information and support about health with mental health problems.

Website: headspace.org.au

Lifeline provides 24 hour crisis support and suicide prevention.

Website: lifeline.org.au

Mental health online offers information about anxiety issues, auto-psychological assessment that are free of charge and treatment programs.

Website: mentalhealthonline.org.au

MoodGYM provides behavioural therapy through an interactive program.

Website: moodgym.anu.edu.au

Partners In Depression offers support and information to those who are helping someone who is currently experiencing a mental health issue.

Website: partnersindepression.com.au

Sources:

Australian Bureau of Statistics (2007)
National Survey of Mental Health and Well-being

Australian Institute of Health and Welfare (2011 Australian Burden of Disease Study: impact and causes of illness and death in Australia)

Zurich (2016) Zurich claims: putting our customers at the heart of everything we do

The Royal Australian & New Zealand College of Psychiatrists (2016): The economic cost of serious mental illness and comorbidities in Australia and New Zealand

Fourth national mental health plan: an agenda for collaborative government action in mental health 2009-2014

The Risk Store (2016) Claims Paid Statistics by Product Type



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