

Homes or Contents Insurance Claim Refused

This fact sheet is for information only and applies to consumer home or contents insurance policies (policies for wholly or mainly personal or household use)

Main ideas

- There are some valid reasons for an insurer to refuse a claim.
- If your insurer refuses your claim, you should check that it was refused correctly.
- You can complain to the insurer if you don't agree with their decision.
- If the insurer still refuses to accept the claim, you can complain to the Australian Financial Complaints Authority – a free and independent complaints service.
- You may need to get your own expert evidence to argue against the insurer's decision, and against any findings the insurer's assessor or expert has made.
- Get legal advice if you don't agree with the insurer's refusal.

In this fact sheet:

[Get details about why your claim was refused](#)

[4 options if your insurance claim has been refused](#)

1. Complain to your insurer's internal dispute resolution process
2. Complain to the Australian Financial Complaints Authority
3. Apply to a tribunal or go to court
4. Do nothing

[4 reasons the insurer may refuse your claim](#)

1. Non-disclosure
2. A policy condition or exclusion clause
3. Cancelled policy
4. Fraud

Get details about why your claim was refused

- Additional information for your reference: [Read the full fact sheet](#)
- **Get legal advice if you're having trouble reading your policy**

4 options if your insurance claim has been refused

1. Complain to your insurer's internal dispute resolution (IDR) department

You could also complain to the Australian Financial Complaints Authority (AFCA)

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3. Apply to a tribunal or go to court

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4. Do nothing

You could give up and accept the insurer's refusal. Get legal advice if you're not sure what to do.

4 reasons the insurer may refuse your claim

This fact sheet covers the 4 common reasons why an insurer may refuse your claim:

1. Non-disclosure

If you didn't tell your insurer about something important, they may refuse your claim. Contact the insurer immediately.

What happens if there is non-disclosure?

There are 2 types of non-disclosure:

- Innocent non-disclosure:** If you didn't know about something important, you may not be liable for fraud. The insurer has to show you were negligent.
- Fraudulent non-disclosure:** If you knew about something important and didn't tell the insurer, it's fraud. Get legal advice immediately if your insurer alleges fraud.

What to do if your claim has been refused because of non-disclosure

If your claim has been refused because of non-disclosure, you may be able to:

1. Get more information from the insurer about what they think was not disclosed.
2. If you applied for a policy, ask the insurer to show you the policy conditions.
3. Get written evidence that the insurer would have charged a higher premium.

2. A policy condition or exclusion clause

If your insurer says your claim is excluded, you can ask for more information. Work through the *Insurance Contracts Act*.

Examples of common exclusions include:

- Wear and tear, and damage over time
- Pre-existing conditions
- Intentional damage
- Fraud
- Acts of war
- Nuclear risks
- Earthquake and flood (unless specifically covered)

What to do if your claim has been refused because of a policy exclusion or condition

If your claim has been refused because of a policy exclusion or condition, you can:

- Ask the insurer for more information.
- Ask the insurer to show you the policy conditions.
- Get legal advice if you don't think the exclusion or condition is fair.

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3. Cancelled policy

Insurance may be cancelled by the insurer if you are not paying your premiums.

What to do if your policy is cancelled

If your insurer tells you that your policy has been cancelled, you should contact the insurer immediately to find out why.

Get legal advice.

Your lawyer can help you understand your rights and options.

4. Fraud

Insurance fraud is a crime and can result in fines and imprisonment.

What to do if you are being investigated for fraud

If you have been investigated for insurance fraud, you should contact your lawyer immediately.

You can ring our Insurance Law Service on 1300 653 464 if:

Need more help?

Visit our [Useful Links](#) page for a list of other resources.

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