

Top tips: On how to tell whether you have a good insurance adviser

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Kevin Smee. Photo / Supplied

Kevin Smee, chief executive of Brokers' Independent Group, on how to tell whether you have a good insurance adviser

How detailed should their queries about financial health be and what first steps should they take?

A good adviser will ask a lot of questions to ensure they understand your needs. The information will be used to put together a policy document that reflects what you want and is easy to understand. Your adviser should do a health check on any existing insurances, covering debt and family circumstances. If you have little or no insurance, your adviser should do a needs analysis and tell you what is available in the market.

If you have existing insurance and are working with a new adviser, should they review your policies?

A lot of people are not exactly aware of what cover they have, think they have cover when they don't, or don't understand what they are protected for. If you have not reviewed your existing cover in some time, your adviser should tell you if you have more than you need.

Should they explain clearly what your area of greatest need is?

A good insurance adviser will explain where the risk and need for coverage is, provide the options then let you decide what you can afford.

How can you tell if they have the right attitude?

Your first meeting with an adviser should provide an opportunity to suss out their personality and approach. Enthusiasm is great, pushiness is not.

What should they tell you about insurance companies and handling of claims?

By asking your adviser about various insurance companies and how they treat claims, you are able to gather how much experience the adviser has had. Good advisers will know which companies are difficult to deal with at claim time.

Do they tell you what your expectations should be for different policies, and do they ask for supporting documents?

A good adviser will be sure that you have the correct expectations about what you are paying for and what you can get in the event that you make an insurance claim. One of the problems in the insurance industry is that people have high expectations, and a good adviser should correct that.