

# Important insurance updates

Cbus members work in some of the toughest conditions out there, so we know how important it is to make sure your insurance provides cover that's tailored to you and your industry.

We regularly review our products to make sure they continue to meet the changing needs of our members. This update will help you understand recent insurance changes and those planned for 1 April 2020.

## The cost of death and TPD insurance cover is changing

If you have death or total and permanent disablement (TPD) insurance through Cbus, from 1 April 2020 the cost of your insurance will increase, and will now be based on your age. This change makes sure that the price you pay for your insurance more closely reflects what it costs to provide your cover.


We always keep a close eye on our insurance pricing to give you the best-value cover we can. And when we last changed our pricing in September 2017, premiums for most members were substantially reduced. However, the cost of implementing two major legislative changes, along with an increase in disability claim volumes, has led to an overall increase in the rates charged by our insurer.

This has meant that your age now has a bigger impact on your insurance costs.

If you work in a manual occupation, this premium increase will give you more cover per unit of TPD insurance (from age 51 to 60) and per unit of death insurance (from age 60 to 64). You can see the details of these cover increases at the website below.

### Weekly cost per unit of cover from 1 April 2020

Age band	Manual		Non-manual and professional		Electech	
	Death	TPD	Death	TPD	Death	TPD
15-24	\$1.44	\$1.45	\$1.67	\$1.22	\$1.22	\$1.61
25-34	\$1.49	\$1.50	\$1.73	\$1.26	\$1.26	\$1.67
35-49	\$1.53	\$1.55	\$1.78	\$1.30	\$1.30	\$1.71
50+	\$1.66	\$1.69	\$1.94	\$1.41	\$1.41	\$1.86
<b>Cost before 1 April 2020</b>	<b>\$1.33</b>	<b>\$1.35</b>	<b>\$1.55</b>	<b>\$1.13</b>	<b>\$1.13</b>	<b>\$1.49</b>

 These changes will apply automatically. To check the cost of your cover you can look at your statement or log into your online account at [cbussuper.com.au/login](https://cbussuper.com.au/login).

For more information on these changes please visit [cbussuper.com.au/april-insurance-changes](https://cbussuper.com.au/april-insurance-changes).

## All income protection insurance will now cover illnesses

From 1 April 2020, the accident only cover option for income protection insurance will no longer be available through your Cbus account. From that date, you'll only be able to select accident and illness cover.

If you have accident only cover, your insurance will automatically upgrade to accident and illness cover from that date. Your insurance premiums will also change to reflect your new cover.

### Why is Cbus removing accident only cover?

This change has been made as a result of feedback from our members and expectations around the type of cover needed. For most members, being covered for an unexpected illness is just as important as being covered for an accident.

Removing accident only cover will ensure that members who want income protection through Cbus have more comprehensive cover if something happens and they can't work.

### How much will it cost?

If this change affects you, from 1 April 2020 you'll see a change to your cover type and weekly cost. Your units of cover, waiting period and payment period won't change.

You can use the tables below to check the cost of your income protection cover from 1 April 2020.


#### Weekly cost per unit – 30-day waiting period

Age	2-year payment period			5-year payment period		
	Non-manual	Skilled trades	Manual	Non-manual	Skilled trades	Manual
15-19	\$0.27	\$0.42	\$0.82	\$0.34	\$0.53	\$1.03
20-24	\$0.27	\$0.42	\$0.82	\$0.35	\$0.54	\$1.05
25-29	\$0.27	\$0.42	\$0.82	\$0.36	\$0.56	\$1.09
30-34	\$0.34	\$0.51	\$1.01	\$0.46	\$0.70	\$1.39
35-39	\$0.44	\$0.68	\$1.31	\$0.62	\$0.95	\$1.85
40-44	\$0.59	\$0.91	\$1.78	\$0.86	\$1.33	\$2.59
45-49	\$0.79	\$1.23	\$2.37	\$1.19	\$1.84	\$3.55
50-54	\$1.11	\$1.74	\$3.33	\$1.71	\$2.67	\$5.12
55-59	\$1.60	\$2.56	\$4.81	\$2.53	\$4.04	\$7.59
60-64	\$2.01	\$2.75	\$6.03	\$3.25	\$4.44	\$9.74

#### Weekly cost per unit – 90-day waiting period

Age	2-year payment period			5-year payment period		
	Non-manual	Skilled trades	Manual	Non-manual	Skilled trades	Manual
15-19	\$0.12	\$0.21	\$0.35	\$0.16	\$0.28	\$0.47
20-24	\$0.11	\$0.20	\$0.34	\$0.15	\$0.27	\$0.46
25-29	\$0.10	\$0.19	\$0.32	\$0.15	\$0.26	\$0.45
30-34	\$0.12	\$0.21	\$0.36	\$0.18	\$0.31	\$0.53
35-39	\$0.16	\$0.29	\$0.49	\$0.25	\$0.44	\$0.74
40-44	\$0.23	\$0.43	\$0.68	\$0.35	\$0.66	\$1.06
45-49	\$0.36	\$0.62	\$1.07	\$0.57	\$0.99	\$1.70
50-54	\$0.56	\$0.98	\$1.68	\$0.92	\$1.61	\$2.75
55-59	\$0.94	\$1.73	\$2.83	\$1.58	\$2.88	\$4.73
60-64	\$1.15	\$2.13	\$3.45	\$1.95	\$3.61	\$5.85

Your cover will continue as long as you meet the insurance eligibility criteria and have enough money in your super account to pay for it, unless you cancel it or it stops for another reason under the policy.

 To learn more about accident and illness cover, including when cover may stop, read the *Sole Trader Super insurance guide* at [cbussuper.com.au/insurance](http://cbussuper.com.au/insurance) or give us a call. The guide will be updated to remove references to accident only cover from 1 April 2020.

## Other insurance changes to be aware of



### Choose the level of TPD cover that's right for you

Under the current policy, it's not possible to have more TPD cover than death cover. From 1 April 2020, we're removing this restriction, so you can apply for the level of TPD cover you need.



### Extending support for members diagnosed with a terminal illness

We already provide death cover for members who die within 14 days of the insurer making a TPD payment. We've extended this to include diagnosis of a terminal illness within 14 days of the insurer making a TPD payment. So if you have more death cover than TPD cover, we'll pay the death cover amount less the TPD amount already paid. This applies to claims where the diagnosis is made on or after 1 February 2020.



### Fairer assessment of TPD claims

If you have TPD cover and need to make a claim, many insurance policies use a stricter assessment test if you've been unemployed for more than six months at the date of your disability. Under the Cbus policy we use the same 'unlikely to return to work' assessment test whether you've been unemployed for three months or 12 months.

From 1 February 2020, we've increased this timeframe even further, so that it applies even if you've been out of work for up to 24 months.

If you've been unemployed for over 24 months at the date of your disability, we'll also continue to use a more generous Cbus 'everyday work activities' (EWA) test, instead of the narrower 'activities of daily living' (ADL) test used by many other super funds.



### More support for mental illness

We have also changed the EWA component of our definition of TPD to specifically address psychiatric impairment (mental disorder). By including this in our definition of TPD, we're aiming to provide greater clarity in the assessment of these claims and ensure that members who can't work due to psychiatric impairment (rather than physical incapacity) don't face unintended hurdles in the claim process.



For more details, visit [cbussuper.com.au/april-insurance-changes](https://cbussuper.com.au/april-insurance-changes).

## Find out how much insurance cover you need

If you're not sure how much cover you need, you can try our *Insurance needs calculator* available at [cbussuper.com.au/calculators](https://cbussuper.com.au/calculators).

You can also speak to one of our qualified financial advisers over the phone – this service is included as part of your Cbus membership. Visit [cbussuper.com.au/getadvice](https://cbussuper.com.au/getadvice) or give us a call to find out more.

To change or cancel your insurance cover at any time, simply:

- log into your account at [cbussuper.com.au/login](https://cbussuper.com.au/login) or
- complete the relevant form available at [cbussuper.com.au/forms](https://cbussuper.com.au/forms).



Cbus  
Locked Bag 5056  
PARRAMATTA NSW 2124



**1300 361 784**  
8am to 8pm (AEST/AEDT)  
Monday to Friday



[cbusenq@cbussuper.com.au](mailto:cbusenq@cbussuper.com.au)  
[cbussuper.com.au](http://cbussuper.com.au)



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