

Mythbusting insurance

Some frequently asked questions

Dispelling myths about insurance

We work closely with Metlife as our insurance partner to help you understand what insurance inside super is and make it simple and easy for you. According to their [Insurance Inside Super 2019 Report](#), there are a couple of myths around insurance we thought you might be interested in.

— Do insurers actually pay claims?

MYTH: Insurers don't pay at claim time

An alarmingly high number of people (60%) have concerns about whether their insurer would actually pay a claim. This is almost 10% higher for people aged 18-39 and concerns are driven by distrust, poor reputation and negative publicity.

BUST: Industry average acceptance rates for claims is high

These concerns highlight the challenges faced by the industry as we work to rebuild public trust. In reality the industry average acceptance rate for claims against Death cover is 98%, for Income Protection it's 96% and for Total and Permanent Disablement (TPD) it's 88%¹.

¹ TPD claims tend to have a slightly lower average acceptance rate because they are more complex to assess.

— Are insurance companies trying to hide this type of cover?

MYTH: Insurance cover is hidden within super

Because of the variety of ways members can become aware of insurance inside super it is often assumed insurance companies are trying to hide this type of cover.

BUST: Insurance companies want members to be aware they have insurance

Insurance companies want members to be aware that they have insurance and to modify their cover to suit their individual needs. Our research shows there are far more benefits when members are aware and actively modifying their cover.

— Do people really want insurance inside super?

MYTH: People don't want insurance inside super

Members don't value insurance inside super and will cancel when made aware

BUST: Members who are aware of their insurance are more engaged

Research suggests when members are aware and informed, they are happier, more engaged with their super, more likely to modify their insurance, including increasing it, and have more appropriate levels of cover than those not aware.

— Is it hard to change cover?

MYTH: It's difficult to change cover

Insurance companies make it hard for you to change your cover.

BUST: Members found the process to be easy and fast

More than 4 in 5 people who increased their cover found the experience easy (84%) and fast (86%).

PMIF FAQs

— Why has the Putting Members' Interests First (PMIF) Bill been introduced?

These changes are being introduced so that people's retirement savings continue to grow and are not impacted by paying for insurance they don't want or need.

— What are the PMIF changes?

From 1 April 2020 new members will not be automatically provided with Death and Total and Permanent Disablement insurance until they are 25 and they have had a balance of \$6,000.

— How do I choose to start my insurance earlier?

You can either opt-in through the email we sent to you at the time you joined the fund or by visiting this page directly (include URL for opt-in page).

You can choose to start your insurance regardless of whether your account balance reaches \$6,000 and if you are under 25 years of age (but not under 15).

Just remember insurance premiums are paid monthly from your super account.

— If I opt-in to keep my insurance, will I be able to cancel it later?

Yes. You can cancel your insurance any time through your member portal, over the phone or by completing the [Insurance Variation form](#).

IMPORTANT: if you do decide to cancel your insurance and then later change your mind, you'll need to go through underwriting and apply for voluntary cover – automatic (default) insurance can't be offered to you again.

— If I forget to opt-in to keep my insurance, and it gets automatically cancelled on 1 April 2020, how can I get it back?

If you joined between 1 November 2019 and 29 February 2020 you have until 30 April 2020 to reinstate your insurance.

If you joined in March 2020, you have until 30 May 2020 to reinstate your insurance.

You can reinstate your cover by opting-in from the email or letter that was sent to you. Lost your email or letter or didn't receive one? Call us and we can help you. If we don't receive a request for re-instatement within these dates you'll need to go through underwriting and apply for Voluntary cover. Automatic (default) insurance will only be offered to you again when you meet the PMIF, eligibility and policy requirements/ conditions.

— What if I cancelled my automatic insurance, can I get it back?

No. If you cancel your cover, you won't be eligible for automatic insurance again.

If you do change your mind though, you can still apply for *Voluntary cover* but you'll need to go through underwriting.

— If my cover is automatically cancelled on 1 April 2020, will it automatically switch on in the future?

If your account balance reaches \$6,000 and you're over 25 years, **your insurance will be switched on automatically when these two conditions are met**, as long as your account has not been inactive for a continuous period of 16 months.

You'll keep your insurance unless you cancel it, and if you choose to cancel your insurance within **90 days** of it switching on, any premiums charged will be refunded back into your super account.