

Changes to income protection insurance

Why you need cover now

Some of the **most significant changes**
are coming to personal income
insurance to date.

These are extremely relevant for
new policies and increased levels of cover.



What is income protection insurance?

Income protection insurance provides a short-term or long-term replacement income if you are unable to work due to illness or injury, up to the age of 65 years old!

Why do I need to be covered before 30 June 2021?

After 30 June 2021 your cover will be assessed every five years with potential to be changed depending on your circumstances. If you sign up before 30 June 2021 your policy will not be subject to these assessments.

The changes include:

1. Five year policy reviews

This means: Every five years the insurer can revise the terms and conditions of a policy and re-assess your income and occupation position. If you changed occupation to something 'riskier' or were earning less (or perhaps not working at all at the time) and the policy was reviewed at this five year interval, you could find the cost of the cover increasing or the insurer no longer offering you the same level of cover.

Of particular concern, at the five year interval, the insurer may also decide to change the terms and conditions you need to satisfy make a claim, making it much harder to claim successfully.

2. Additional disability criteria for long-term claims

This means: Currently, there is one 'tier' of definitions you must meet to claim on an income protection policy and remain on claim if you are unable to perform your normal job. The changes mean new policies will have an additional 'tier' to meet to remain on claim for a longer time frame. This means people could be forced into finding work before they are ready, if they do not meet the prescribed disability criteria.

Ask yourself –
what would happen if you
suddenly couldn't work?
How would you pay your
mortgage, your rent,
your car loan?

How can Venture help?

We will review and recommend the best policy for you, as not all policies are equal.

Our advisers and support team strive to make the application process as seamless as possible. This is our goal as we believe adequate cover is essential having worked with countless individuals at claim time who would not have been able to pay for the services and support they needed without their insurance.

If you have not organised income protection cover for yourself already, or you are unsure if you have a quality policy, we strongly recommended you take action before these changes are introduced.

Send Chris or Nicola an email and we can have a chat to see what you are already covered for, or what you might be missing.

How much does it cost?

Staying insured is affordable. Income protection insurance can be paid through your superannuation therefore you don't notice it out of your weekly wage. Alternatively you can pay it personally then it's tax deductible.

You can also have your premium (fees) based off the age when you sign up, not the age when you use it. The sooner you do it, the cheaper it will be.

**Your greatest asset
in life isn't your house
or superannuation,**
it is your ability to earn an
income. Over a working
lifetime of 40 years the
average Australian earns
around \$3 million. You insure
your home, why not
your income?

Client story

Imagine you are a successful professional happily married with young kids. One day your personality starts to change. You see countless doctors and eventually you are diagnosed with a mental disorder. Due to the degenerative nature of the disease you are told you are likely to impact your clients and you potentially won't realise what you may be doing/have done. You realise you won't be able to work again.

How will you pay the bills?

How will you pay for your care?

How will you give your family even the most basic chance for a normal life?

This isn't hypothetical, this is the reality for a Bendigo family who has gone through the claim process and will now receive monthly payments for the next 30 years.



A proactive approach is the best approach.
Talk to Nicola or Chris today.

Email n.chaffe@venturebendigo.com.au or c.brame@venturebendigo.com.au or call 03 5434 7600.