



Why it's worth considering crisis cover



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Most people wouldn't dream of driving without car insurance, or living in a house without home and contents insurance, so it is remarkable that the majority of Australians do not think about protecting their families through life insurance, in the event of death, accident or illness.

With the incidence of cancer increasing year on year and the occurrence of cardiovascular diseases preventing many families from living a full life due to disability, it is becoming increasingly important to consider crisis cover as part of a life insurance portfolio.

Many Australian families struggle, both emotionally and financially, when someone in their family is diagnosed with a life threatening or debilitating health condition. By taking out crisis cover, you can help ease the financial burden should you be unfortunate enough to suffer a traumatic event.

You might think 'it'll never happen to me', but you may think again after considering these facts.

Cancer

In Australia, cancer has been the leading cause of death in Australia over the past six years, with more than 39,000 people estimated to die from it each year. 1 in 2 men, and 1 in 3 women, will be diagnosed with cancer before the age of 85. Amongst the most common cancers in Australia are cancer of the digestive organs, breast cancer, skin cancer, lung cancer and prostate cancer.¹

Prostate Cancer²

- Almost 3,000 men die each year of prostate cancer and around 18,700 new cases are diagnosed every year.
- Each day about 32 men learn news that they have prostate cancer – tragically one man every three hours will lose his battle against this insidious disease.

Breast Cancer³

- More than 2,640 women will die from the disease in a single year – that's over 7 women each day.
- One in 8 women will be diagnosed with breast cancer by the age of 85.

Skin Cancer⁴

- Over 380,000 Australians are treated for skin cancer each year – that's over 1,000 people every day.
- Over 1,600 Australians die from skin cancer each year.
- Australia has the highest rate of skin cancer in the world. Skin cancers account for around 80% of all new cancers diagnosed each year in Australia. Each year Australians are four times more likely to develop a common skin cancer than any other form of cancer.

Cardiovascular disease (CVD)⁵

- CVD is the term used for heart, stroke and blood vessel diseases.
- CVD kills 1 Australian every 10 minutes and prevents 1.4 million people from living a full life because of disability caused by the disease.
- CVD is one of Australia's largest health problems. Despite improvements over the last few decades, the health and economic burden of CVD exceeds that of any other disease.

1. www.cancer.org.au

2. www.prostate.org.au

3. www.nbcf.org.au

4. www.sunsmart.com.au

5. www.heartfoundation.org.au

So what is crisis cover?

Crisis cover, also known as trauma cover, pays a lump sum should your doctor diagnose you with a specified illness. Crisis cover pays a lump sum which, depending on your insurer, may be up to \$2,000,000 on diagnosis. You can take out crisis cover between the ages of 16 and 64, depending on your insurer and it covers you 24 hours a day, 7 days a week anywhere in the world.

Each insurer differs, but most policies can cover you for a variety of crisis events such as:

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| • Angioplasty | • Blindness | • Loss of Limbs |
| • Cancer (Female Organs) | • Cardiomyopathy | • Loss of Speech |
| • Cancer (General) | • Kidney Failure | • Major Head Trauma |
| • Cancer (Male Organs) | • Chronic Liver Disease | • Major Organ Transplant |
| • Coronary By-Pass Surgery | • Chronic Lung Disease | • Motor Neurone Disease |
| • Heart Attack | • Coma | • Multiple Sclerosis |
| • Stroke | • Dementia & Alzheimer's Disease | • Muscular Dystrophy |
| • Accidentally Acquired HIV | • Viral Encephalitis | • Parkinson's Disease |
| • Aorta Surgery | • Heart Valve Surgery | • Primary Pulmonary Hypertension |
| • Aplastic Anaemia | • Loss of Hearing | • Rheumatoid Arthritis |
| • Benign brain tumour | • Loss of Independent Existence | • Severe Burns |

You should speak with your financial adviser about the amount and type of cover that you need. Everyone's circumstances and situations differ so sitting down to discuss your needs with your adviser is a good first step when considering life insurance.

How can crisis cover benefit you?

Should you be diagnosed with a life threatening or debilitating health condition, crisis cover may help you:

- to pay for any additional medical bills or necessary treatment
- to replace lost income while ill or recuperating
- to pay for home care or auxiliary services while recuperating
- to replace lost income while caring for a family member
- to pay for rehabilitation
- to pay for a change in lifestyle, for example, access ramps, wheelchairs or manual car controls.

If you think that you and your family could benefit from taking out crisis cover insurance, speak to your financial adviser today to find out about the most appropriate cover for you.

Case study*

Doug has been working as an accountant for the past eight years in Brisbane where he lives with his wife and three kids. Unfortunately for Doug and his family, he was recently diagnosed with bowel cancer. Doug's diagnosis meant that he was required to undergo extensive chemotherapy, and as a result he was unable to work for six months. As you can understand, Doug and his family were extremely devastated when the doctor diagnosed the condition. As well as dealing with the emotional stress, they also had to consider how they would pay for the mortgage, school fees and other bills without Doug's income.

Fortunately for Doug and his family, their financial adviser had recommended that both Doug and his wife take out crisis cover on top of their Term Life cover. When Doug received the news from his doctor, he called his adviser immediately who submitted a claim to his insurance company. His claim was assessed and Doug received a lump sum payment of \$250,000. The payment enabled Doug and his wife to pay for his medical fees; mortgage and school fees all of which his income would normally have paid for.

The lump sum payment meant not only that Doug and his family's bills were taken care of, but also meant that Doug could focus all his energies on getting better instead of stressing about financial concerns.

* This is an example only to illustrate the potential benefit of taking out crisis cover, and should not be relied upon as indicative of benefits payable under any crisis cover products.

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