

Did you know?



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16 December 2011

Child cover – increased to \$250,000

Every year more than 600 Australian children are diagnosed with cancer and, on average, three children die from cancer every week¹. While most parents don't want to think about their child being seriously ill or injured, they would almost certainly want to feel financially prepared should this occur.

CommInsure offers child cover as an option to Total Care Plan customers who have children aged between two and 16 years. The child cover option may be attached to a life policy or a stand-alone trauma policy. At CommInsure the child cover allowable sum insured has been increased from \$100,000 up to \$250,000. The benefit is payable to the policy owner in the event that his or her child suffers one of the 38 covered trauma conditions, or death.

Events covered under trauma cover			
Heart disorders		Nervous system disorders	
■ Heart attack	✓	■ Stroke	✓
■ Out of hospital cardiac arrest	✓	■ Major head trauma	✓
■ Coronary artery disease requiring by-pass surgery	✓	■ Muscular dystrophy	✓
■ Coronary artery angioplasty*	✓	■ Paraplegia	✓
■ Coronary artery angioplasty – triple vessel	✓	■ Quadriplegia	✓
■ Surgery for disease of the aorta	✓	■ Hemiplegia	✓
■ Cardiomyopathy	✓	■ Diplegia	✓
■ Open heart surgery	✓	■ Tetraplegia	✓
Body organ disorders		■ Coma	✓
■ Cancer	✓	■ Encephalitis	✓
		■ Subacute sclerosing panencephalitis	✓
		■ Bacterial meningitis	✓
■ Benign brain tumour	✓	Blood disorders	
■ Blindness	✓	■ Medically acquired HIV	✓
■ Chronic kidney failure	✓	■ Aplastic anaemia	✓
■ Major organ or Bone transplant	✓	Other events	
■ Placement on a Waiting List for Major Organ Transplant*	✓	■ Serious injury*	✓
■ Severe burns	✓	■ Critical care*	✓
■ Loss of speech	✓	■ Loss of limbs or sight	✓
■ Loss of hearing	✓	■ Loss of one hand or one foot*	✓
■ Chronic liver disease	✓		
■ Chronic lung disease	✓		
■ Severe rheumatoid arthritis	✓		

*Denotes a partial payment. Please refer to the CommInsure Protection PDS and RD for further information

¹Children's Cancer Institute Australia. <http://www.ccia.org.au/index.cfm?pageCall=content&contentID=50765MenuItemID=54586>

CommInsure's child cover provides 38 trauma conditions, including partial benefits for five conditions. For a partial benefit the amount paid is 10 per cent of the sum insured or \$10,000 (whichever is greater). The sum insured is indexed in line with CPI subject to a minimum of three per cent and is eligible for CommInsure's loyalty bonus benefit where the benefit will be increased by five per cent once the child cover has been held for five years or more (at no additional cost).

A set premium of \$12 per annum per \$10,000 of cover applies for all age groups. For example, if the sum insured is \$250,000, the cost would equate to \$300 per annum. This premium would equally apply if the child insured were three or 15 years old.

The child cover option also provides a continuation option to convert to an adult life and trauma policy on the policy anniversary preceding the insured's 18th birthday. As no medical information is needed for this conversion, it also provides certainty of at least this amount of cover in the unfortunate event that the child was uninsurable due to a medical condition at the age of conversion. N.B. occupational/pastime requirements apply.

If a parent of a two year old child implemented a \$250,000 child cover policy, assuming CPI was accepted each year (at three per cent) at the age of 17 this would mean that \$390,000 (approx) would be available for continuation. Add to this the continuation of the five per cent loyalty bonus and this equates to a sum insured of just under \$409,000.

In many cases when clients seek advice about risk insurance the reason they are doing so is to provide protection for their family's financial security. The purpose of child cover is to provide your client with a choice. In your client's "time of need", they may require significant time away from work to care for a sick or injured child as well as funds to cover any additional medical costs.

Summary

CommInsure has increased the allowable sum insured of child cover – increasing from \$100,000 to \$250,000. Whilst the main aim of child cover is to assist families in their time of need child cover can also be used as a way to protect future insurance needs of your client's children as well.

Important information

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