26 October 2012

Don’t turn a blind eye

Vision impairment and blindness are among the leading disabilities in Australia. Unfortunately, many eye diseases and disorders have no symptoms or early warning signs, with many people believing that decreasing vision is just part of ageing. However, trauma and TPD insurance can be taken out for loss of sight in one or both eyes.

According to the latest Survey of Disability, Ageing and Carers (Australian Bureau of Statistics, 2009), around 300,000 Australians have substantial vision impairment, with around 20,000 being totally blind. In fact, the overall incidence of blindness and vision impairment in Australia is set to grow from the current 292,700 to 421,600 people in the next 15 years.¹

It’s estimated that in Australia 116,000 people refer to a hospital or general practitioner each year with eye injuries. In regards to cause, many people do not wear eye protection when performing high risk activities, such as welding and grinding, particularly in the home environment. Injuries also occur when eye protection is ill-fitting or not worn at appropriate times².

Economic analysis undertaken by Access Economics for the Centre for Eye Research Australia estimated the total cost of vision disorders in Australia is $9.85 billion per annum.³ Further, people with diabetes are at increased risk of developing eye disease, particularly diabetic retinopathy, cataract and glaucoma. This is a major risk given that an estimated one million Australians have diabetes, with many unaware of it. Age at onset and duration of diabetes are key factors influencing the prevalence of eye disease in people with diabetes.⁴

Like many diseases, eye disease and vision loss can be prevented, where possible, through addressing known modifiable risk factors. Raising general public awareness about eye health is therefore the first line of defence in reducing these risks.

At CommInsure, we pay a full benefit under our trauma and total permanent disability (both Total Care Plan and Total Care Plan Super) policies for loss of sight that is, permanent loss of sight in both eyes. The Severe Hardship Booster Benefit is also applied, doubling the benefit payable up to $250,000 for loss of sight. The loss of sight definition is also covered in our Child Cover option as well. A TPD benefit is payable for partial and permanent disability which is the lesser of $500,000 and 25 per cent of the TPD cover. Our Trauma Plus cover also pays a partial benefit of 20 per cent up to $100,000 for permanent loss of sight in one eye.

In addition, our Income Care range provides replacement income if your client is unable to work due to sickness or injury relating to an eye injury or disease. The Specific Injuries Benefit in our Income Care Plus also pays up to 12 months of monthly benefits for the total and permanent loss of use of sight in

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one eye, regardless of whether your client is capable of returning to work or not. Importantly, these benefits begin from the date of injury.

For example, the table below shows how the benefit would be paid with the loss of sight in one and then both eyes.

<table>
<thead>
<tr>
<th>Type of policy</th>
<th>Sum insured</th>
<th>Benefit paid loss of sight one eye</th>
<th>Benefit paid loss of sight in both eyes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total and permanent disability</td>
<td>$800,000</td>
<td>-</td>
<td>$1,050,000 (includes Severe Hardship Booster benefit provided Life Care benefit is at least $1,050,000)</td>
</tr>
<tr>
<td>Partial and permanent disability (partial blindness)</td>
<td>$800,000</td>
<td>$200,000</td>
<td>-</td>
</tr>
<tr>
<td>Trauma Plus</td>
<td>$500,000</td>
<td>Partial benefit – 20% $100,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Income Care Plus</td>
<td>$8,000 monthly benefit</td>
<td>Specific Injuries Benefit (if still working) 12 x monthly benefit of $8,000, $96,000, OR (if not working) $8,000 monthly benefit paid to age 65</td>
<td>Deemed TPD, paid a tax free lump sum under Lump Sum in IP option, $1,440,000 (Based on age of 40 &amp; factor of 15 applied).</td>
</tr>
</tbody>
</table>

**Summary**

As shown above, loss of sight relating to disease and injury is a growing concern for all Australians. However, CommInsure has an array of insurance options in the event this disability impacts any of your clients.