

Sleep easy remedy #4

Total and permanent
disability insurance

Would you sleep easier
knowing you could be
paid a lump sum if you
couldn't work again?


How to contact Macquarie Life

Macquarie Life





MACQUARIE


Financial Advisers

 1800 005 057


Existing Clients


 Please talk to your financial adviser for any questions about your insurance cover with Macquarie Life.

 GPO Box 5216, Brisbane QLD 4001

 macquarielife.com.au

Claims

 Freecall 1800 208 130

 insuranceclaims@macquarie.com

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FORWARD thinking

The support you need, when you really need it

Disability is not an easy subject to talk about. But accidents happen and no amount of money will ever make up for a major disability. It's the support of family and friends that gets people through the hard times.

But disability means you can't work. So suddenly there is no income to cover the rent or the mortgage, let alone the cost of rehabilitation, medical bills or any lifestyle changes forced upon your family by your condition. Yet money is the last thing your family should be worrying about.

That's why Total and Permanent Disability (TPD) Insurance is so important. It can take away one great source of stress you don't need, helping to make it easier to cope with not being able to work.

“It won't happen to me...”

- In Australia, accident or injury is the most commonly reported cause of disabling conditions.¹
- More than one million Australians need assistance with core activities such as communication, transport and self-care due to a severe disability.² Australians made more than seven million visits to hospital emergency departments in 2007–08³

Statistics don't mean much – until you become one. That doesn't mean you should stop enjoying life, but you should be prepared for its perils.

Life goes on – and so does your mortgage

Many people don't understand why they need insurance. Recent research from one insurance company revealed that 81% of those surveyed think life insurance is too expensive – yet 61% overestimated its real cost.⁴

Perhaps that's why many Australians choose to go without TPD Insurance. As a result, when faced with permanent disability that means they can't go back to work; the average person is left with few options.

Living off your savings and investments might work – but for how long? And in meeting your short-term needs you damage your long-term dreams. Plans to pay off a mortgage or send the kids to a quality school must be dropped and the future looks a lot more uncertain than it used to.

Health insurance might reduce the medical bills but it won't replace your income. As well as this, out of pocket expenses such as home care and rehabilitation aren't covered.

How can TPD Insurance help you protect your family's future?

TPD Insurance pays out a tax free lump sum if you are disabled and either can't go back to work, or can't work in your usual occupation.

Why a lump sum? Because it helps you deal with the short-term trauma and the long-term worry. Part of the payout can be put toward immediate medical expenses, rehabilitation and care along with the cost of modifications to your home and lifestyle. The balance could be invested to meet your long-term needs or used to pay out major debt, helping put your future money worries to rest and reducing the need to dip into your savings or investments

TPD cover is often highly valuable for a partner who does not go to work. IFSA has suggested that unpaid house and childcare work could be worth the equivalent of a \$75,000 salary. Many TPD insurances offer domestic duties cover as well.⁵

TPD Insurance offers you and your dependants some highly valuable features:

- It can be packaged with a life insurance product.
- You can choose the cover definition that suits you best including “own occupation”; “any occupation” or “domestic duties”.
- You can generally apply for a specified amount of insurance. Your financial adviser can help you and your family decide on how much cover you will need.

Start early, and get some advice

Since the definition of occupation can vary both the cover and premium it is important to consider the definition of each. Your adviser can help you decide how much cover you need to give you and your family peace of mind – and help you pass the sleep easy challenge!

¹ Australia's Health 2008, Australian Institute of Health and Welfare (AIHW), June 2008

² Australia's Health 2008, AIHW, June 2008

³ Australia's Health 2008, AIHW, June 2008

⁴ ING Australia's Attitudes Towards Life Insurance, December 2008

⁵ Australian mothers – undervalued and underinsured, IFSA Media Release: October 2005