

# Changes to insurance in super



## There have been many changes to insurance in super as a result of government legislation over the last two years.

- After the election of the Morrison government, a bill was introduced in Parliament to remove automatic insurance in super for young members under 25 years of age and account balances less than \$6,000.
- The law was passed and the changes come into effect on April 1, 2020.
- Cbus worked very hard through our advocacy, to get the best outcome for our members.
- Cbus was successful in advocating for an exception to be made for workers in dangerous occupations.
- Our members in the industry manual category will continue to be covered by default insurance.
- We were the fund that successfully lobbied to achieve the best outcome for workers and we believe that we will be one of the only funds able to apply it to the vast majority of our members.

- In order to get the dangerous occupation exemption in place by April 1, so that the majority of our members could be covered, increases were required to the premiums.
- As always the total death and TPD premiums remain lower for Electech members.

## Electech members will continue to opt in to get the cover that suits their employment.

Our new premium model, for our members consists of 4 aged based tiers:

- Tier 1 is 15-24
- Tier 2 is 25-34
- Tier 3 is 35 to 49
- Tier 4 is 50 onwards

There will be an increase in TPD and Death Cover costs for all age groups.

The biggest increase will be for older members in the Tier 4. For Electech default coverage of two units of Death and TPD it will mean an extra \$67.60 a year for them.



**Want to know more?** Speak to your local Cbus Coordinator for more information  
[cbussuper.com.au/support/contact#cbusco](https://cbussuper.com.au/support/contact#cbusco)

	Manual		Non-manual and Professional		Electech	
	Member 01/07/2013	Member 01/04/2020	Member 01/07/2013	Member 01/04/2020	Member 01/07/2013	Member 01/04/2020
<b>Death</b>	\$1.33		\$1.55			
15 – 24		\$1.44		\$1.67		\$1.22
25 – 34		\$1.49		\$1.73		\$1.26
35 – 49		\$1.53		\$1.78		\$1.30
50+		\$1.66		\$1.94		\$1.41
<b>TPD</b>	\$1.35		\$1.13		\$1.49	
15 – 24		\$1.45		\$1.22		\$1.61
25 – 34		\$1.50		\$1.26		\$1.67
35 – 49		\$1.55		\$1.30		\$1.71
50+		\$1.69		\$1.41		\$1.86
<b>TOTAL</b>	\$2.68		\$2.68		\$2.62	
15 – 24		\$2.89		\$2.89		\$2.83
25 – 34		\$2.99		\$2.99		\$2.93
35 – 49		\$3.08		\$3.08		\$3.01
50+		\$3.35		\$3.35		\$3.27

### Improvements in Cbus insurance

If we had not applied the Dangerous Occupation exemption, members would have had to pay substantially more, but there have been some major improvements in the insurance offer.

### Allow members to choose level of TPD cover

Cbus members are no longer restricted to having more Death cover than TPD. This allows members to apply for a higher level of cover for TPD if they want it.

### Improved insurance experience for members with psychiatric impairment

Our definition of TPD has been extended to address mental health conditions. We don't want members who can't work due to psychiatric impairment to be disadvantaged.

## Cbus Insurance Facts



**Cbus paid 95% of all insurance claims last financial year**



**\$246 million in benefits were paid to members in the last financial year**



**Over the last five years (to June 30 2019) Cbus accepted over 90% of insurance claims**



**We paid out more than \$1.1 billion in benefits to members over a 5 year period to June 2019**



**1,436 out of 1,522 claims lodged were accepted and paid in the last financial year**



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Visit Cbus in person in Adelaide, Brisbane, Melbourne, Perth and Sydney. Details: **cbussuper.com.au/contact**

Cbus' Trustee is United Super Pty Ltd. ABN 46 006 261 623 AFSL 233792 Cbus ABN 75 493 363 262

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