

CHANGES AT A GLANCE. WHAT'S NEW WITH COMMINSURE PROTECTION FROM SEPTEMBER 2018?

**A SUMMARY FOR FINANCIAL ADVISERS OF THE PRODUCT
UPDATES TO COMMINSURE PROTECTION.**



CommInsure



Overview of updates to CommInsure Protection:

Trauma Cover and Life Care

- ◆ 17 Updated medical definitions:
 - 9 Improved
 - 6 clarified
 - 1 removed
 - 1 benefit change
- ◆ Clarified when we pay the Financial Planning benefit and how it works
- ◆ Renaming of the Trauma Buy Back benefit to the Trauma Reinstatement benefit.
- ◆ Renaming of the Trauma Buy Back Plus option to the Trauma Reinstatement Booster option
- ◆ Removal of the pension payment option for terminal illness.

Total & Permanent Disability

- ◆ Where a Domestic Duties test applies to TPD Cover we've removed the requirement for the life insured to "be confined to the home"
- ◆ Updated definition for Loss of Independent Existence and Activities of Daily Living
- ◆ Relocated definition for "partial and permanent disability"
- ◆ Clarified when we pay Financial Planning benefit and how it works.

Income Protection

- ◆ Clarified the assessment period for the capability clause (this applies to Income Care Platinum only)
- ◆ Improved the 'reduced waiting period' benefit so that it is now more flexible
- ◆ Improved the Domestic Help benefit (this applies to Income Care Plus and Income Care Platinum only)
- ◆ Removed the survival period for the Permanent Disablement Cover option (PDCO) which is also known as 'TPD in IP' and increased the assessment period for work ending condition to 36 months
- ◆ Clarified Business Overheads Cover (BOC) intent and offsets.

General

- ◆ Changes to suicide exclusion and misconduct exclusion
- ◆ PDS updates based on consumer testing feedback to make it easier to read
- ◆ Clarified the complaints process for SMSFs
- ◆ Added expiry dates to policy schedules and anniversary letters
- ◆ Updated the definition of expiry dates
Updated the paper application form to align with MyApply, our online application tool.

Product enhancement summary

19 definitions were updated.

What are the changes made to definitions?

The table below shows the changes that have been made to definitions or policy wording related to definitions (improvements in bold font):

Definition	What's changed	Type of change (Improvement, clarification, benefit change or removal)
Heart valve surgery	<ul style="list-style-type: none"> ◆ Label change from Repair and replacement of a heart valve to Heart valve surgery ◆ Removed minimally invasive procedures exclusion 	Improvement
Severe burns	<ul style="list-style-type: none"> ◆ Added “both feet” 	Improvement
Encephalitis	<ul style="list-style-type: none"> ◆ Changed 25% WPI to MMSE 24 or less (more generous and easier to assess) 	Improvement
Medically acquired HIV	<ul style="list-style-type: none"> ◆ Now includes health professionals that are not a medical/paramedical practitioner or a dentist ◆ Added 'root canal' as an example 	Improvement
Open heart surgery	<ul style="list-style-type: none"> ◆ Deleted the word benign before tumour so that we now cover all cardiac tumours 	Improvement
Critical care	<ul style="list-style-type: none"> ◆ Removed drug and alcohol exclusion. ◆ Deleted “for the first time” as this is covered under “when we pay only once” ◆ Deleted “authorised” as an acute care hospital will not have an “unauthorised” intensive care unit 	Improvement
Serious injury	<ul style="list-style-type: none"> ◆ Removed drug and alcohol exclusion. ◆ Deleted “for the first time” as this is covered under “when we pay only once” 	Improvement
Loss of independent existence	<ul style="list-style-type: none"> ◆ Removed drug and alcohol exclusion. ◆ Updated the reference to medical practitioner to “relevant medical specialist” to align with other Retail Advice (RA) definitions. Moved to the beginning of the definition as this applies to both bullets. ◆ Changed the order of the bullets to improve readability 	Improvement
Activities of daily living	<ul style="list-style-type: none"> ◆ Added “bathing – washing or showering” 	Improvement

Definition	What's changed	Type of change (Improvement, clarification, benefit change or removal)
End stage kidney failure	<ul style="list-style-type: none"> Updated label from chronic kidney failure to end stage kidney failure to better reflect the intent Changed renal to kidney to make this language more accessible to customers 	Clarified
End stage liver failure	<ul style="list-style-type: none"> Updated label from chronic liver failure to end stage liver failure to better reflect the intent 	Clarified
Bacterial meningitis	<ul style="list-style-type: none"> Deleted "the bacterial meningitis must be caused by a proved organism" as this is redundant. An "unequivocal" diagnosis covers this. 	Clarified
Coronary artery angioplasty (triple vessel)	<ul style="list-style-type: none"> Changed "undergoing" to "undergoes" to make it clear the surgery must not be in the future 	Clarified
Coronary artery angioplasty (single)	<ul style="list-style-type: none"> Changed "undergoing" to "undergoes" to make it clear the surgery must not be in the future 	Clarified
Occupationally Acquired HIV	<ul style="list-style-type: none"> Added exclusions from the policy section of the PDS to the definition Improved "7 day" negative test wording for readability 	Clarified
Early stage cancer of the vulva or perineum	<ul style="list-style-type: none"> Benefit reduction from 100% to 20%, max \$100,000 Note existing customers will still receive 100% for this benefit 	Benefit change
Severe osteoporosis	<ul style="list-style-type: none"> Remove severe osteoporosis (which must occur before 50) as a covered condition because the medical opinion is that this is unlikely to ever occur. 	Removed
Mental illness	<ul style="list-style-type: none"> Mental illness is a defined term that is no longer referred to in the PDS. 	Removed
TPD definitions and exclusions		
Domestic duties	<ul style="list-style-type: none"> Removed "confined to the home" as a TPD requirement 	Improvement
Professional misconduct	<ul style="list-style-type: none"> Made it clear that we only exclude claims solely due to professional misconduct 	Improvement
Suicide and self-inflicted injury	<ul style="list-style-type: none"> Deleted "whether sane or insane" 	Improvement

In detail

Lump sum cover

Financial Planning benefit

- ◆ We've changed how we pay this benefit where there's more than one policy owner or nominated beneficiary.
- ◆ For more than one policy owner, we now pay the benefit to all policy owners jointly, even if only one policy owner claims it.
- ◆ If a Life Care benefit is paid to more than one nominated beneficiary, each beneficiary can claim the Financial Planning benefit up to their share of the \$5,000 maximum. Each beneficiary shares the \$5,000 maximum in the same proportion they shared the Life Care benefit.
- ◆ For Trauma and TPD claims, a Financial Planning benefit is not available for partial.

Domestic Duties – Total and Permanent Disability (TPD) Cover

- ◆ Where a Domestic Duties test applies to TPD Cover we've removed the requirement for the life insured to "be confined to the home".

Misconduct exclusion–Total and Permanent Disability (TPD) Cover

- ◆ The exclusion only applies if the disability arises solely from the relevant misconduct.

Suicide exclusion – Life Care benefit, Advance Payment benefit and Child Cover benefit

- ◆ The suicide exclusion has been improved by deleting the words "whether they're sane or insane".

Trauma Buy Back and Trauma Buy Back Plus change name

- ◆ Trauma Buy Back benefit now known as the Trauma Reinstatement benefit and the Trauma Buy Back Plus option now known as the Trauma Reinstatement Booster option.

- ◆ The Trauma Reinstatement benefit is inbuilt and available on all our Trauma Cover. It automatically reinstates Trauma Cover 12 months after we pay a claim.
- ◆ The Trauma Reinstatement Booster Option lets you claim for more conditions on your reinstated cover.

Life Care, removing the pension option for Terminal Illness benefit

- ◆ The pension option for terminal illness has been removed, to align with super conditions of release and to ensure the member is not liable for income tax.

Income protection cover

Partial Disability benefit–Income Care Platinum only

- ◆ If the life insured is not working at their capacity for reasons other than sickness or injury, the partial disability benefit is reduced to allow for income that could have been earned.
- ◆ We'll now only make this reduction if the life insured has not been working at capacity for at least two consecutive months.

Reduced waiting period

- ◆ This feature allows you to reduce your waiting period if your group income protection ends.
- ◆ This feature is now more flexible because:
 - you no longer need to have had your group income protection in place when you applied for your CommInsure Protection policy
 - you can now use the feature if your group income protection policy has a continuation option so long as you haven't taken it up.
- ◆ We won't require updated medical evidence when you apply to reduce your waiting period

- ◆ Our acceptance of your reduced waiting period application is subject to your current occupation and income details being satisfactory to us.

Domestic Help benefit – Income Care Plus and Income Care Platinum only

- ◆ We've removed the requirement for the life insured's spouse to "be confined to the home" in the definition of "accidentally disabled/accidental disability" which applies to the Domestic Help benefit.

Misconduct exclusion

- ◆ This exclusion only applies if the disability arises solely from the relevant misconduct.

Permanent Disablement Cover option (not applicable to Split IP or cover inside super)

- ◆ To exercise this option you no longer need to meet the 12 month survival period. However, we've extended the "24 month disability period" to 36 months under the definition of "work ending condition".

Business overheads cover

Business expenses we cover

- ◆ If the life insured's occupation group is light manual (L) or manual (M), you're now covered for any remuneration and associated costs of hiring an income generating employee after the life insured became totally disabled (the employee must be hired to perform the work the life insured normally does).

What benefit we pay

- ◆ We may pay you a higher monthly benefit because in calculating it we've changed the way we offset the life insured's portion of the business income.
- ◆ We've also removed from your policy the offset for income generated by an employee hired after the life insured became totally disabled. We've done this because this income is included in the offset for the life insured's portion of the business income.

CommInsure continues to work hard to bring all these changes to the CommInsure Protection offer. The changes are designed to support financial advisers to find a product that best suits their client's needs and circumstance now and in the future.

Why CommInsure?

CommInsure is a leader in the Australian Insurance industry with over three million customers. With roots dating back over 140 years we have a history of financial strength and security.

Want to know more?

Please contact your CommInsure BDM or State office.

Adviser Assist

1800 805 686

8am – 8pm (Sydney time)

Monday to Friday

comminsureadviser.com.au/stronger

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