

# Product and legislation update November 2019



Changes to insurance if you have an Accumulation account

## What's changing

The Australian Government is making changes to how insurance cover is provided through superannuation as part of their "Putting Members' Interests First" reforms. These changes aim to protect members under the age of 25 or with low superannuation balances from having their retirement savings unnecessarily eroded by insurance premiums.

These reforms commence from 1 April 2020 and only relate to insurance held through an Accumulation account. They don't apply if you have permanently opted in to cover or are covered by the dangerous occupation exception. See below for more information.

### Your cover could be cancelled

If you have an Accumulation account balance that has not been \$6,000 or more at any time since 1 November 2019 you could be at risk of having your insurance cover cancelled on 1 April 2020.

If you are affected by these changes now or in the future, or are at risk of having your cover cancelled, this information will be outlined in your personalised letter sent to you via mail or email.

## Changes to QSuper default insurance cover

There are circumstances where you may receive default insurance cover as detailed on page 17 of the *Accumulation Account Insurance Guide* issued 1 July 2019.

From 1 April 2020, unless you're covered by the dangerous occupation exception, to automatically receive a new type of cover (being death cover, total and permanent disability (TPD) cover, and/or income protection cover) you will need to:

- ✓ Be age 25 or over, and
- ✓ Have had an Accumulation account balance that has been \$6,000 or more at any time since 1 November 2019.

This is in addition to the current eligibility requirements<sup>1</sup> including that you must have received money into your Accumulation account within the last 13 months or have permanently opted in to cover.

This also means to receive default insurance cover, if your employment situation changes on or after 1 April 2020 and you do not meet all of the criteria shown above, you can apply for cover as detailed below.

## Applying for cover

You can apply to have insurance cover with your Accumulation account at any time. However, from 1 April 2020, if you are under age 25, have an Accumulation account balance that has not been \$6,000 or more at any time since 1 November 2019, and/or have not received money into your Accumulation account in the last 13 months, any application will be subject to eligibility<sup>1</sup> and you will need to permanently opt in to cover when you apply.

Keep in mind that if you apply for default insurance cover, a pre-existing exclusion period may apply.<sup>2</sup>

### What is default insurance cover?

Default insurance cover is the insurance offered by QSuper that you can generally get without having to provide any medical history or complete any health checks. For details about the default insurance cover applicable to you and other terms and conditions related to default insurance cover, see the *Accumulation Account Insurance Guide*.

### What does it mean to permanently opt in to cover?

Permanently opting in to cover means that the types of insurance cover you currently hold (being death cover, total and permanent disability cover, and/or income protection cover) will continue even if you are under 25 years old, and/or you have an Accumulation account balance under \$6,000, and/or we have not received money into your account in the last 13 months.

You can permanently opt in to cover in Member Online or by sending us a completed *Change of Insurance* form.

## Dangerous occupation exception

As part of the Government's changes, superannuation funds can select occupations that they deem to be dangerous and exclude them from these new rules.

QSuper is choosing to exclude all employees of the below emergency services from these changes:

- **Queensland Police Service (QPS)** – not just police officers
- **Queensland Ambulance Service (QAS)** – not just paramedics
- **Queensland Fire and Emergency Service (QFES)** – not just firefighters.

If you work for one of the above employers, you will not be impacted by these changes and your insurance cover will continue unless you cancel it, or we stop receiving money into your Accumulation account for 13 continuous months.<sup>3</sup> We will contact you if this exception applies to you.

### For more information

To find out more about these changes:  
[qsuper.qld.gov.au/insurancechange](https://qsuper.qld.gov.au/insurancechange)

Learn about our insurance products:  
[qsuper.qld.gov.au/insurance](https://qsuper.qld.gov.au/insurance)

Estimate how much insurance you need:  
[qsuper.qld.gov.au/calculators](https://qsuper.qld.gov.au/calculators)

Further information is also available on ASIC's MoneySmart website:  
[moneysmart.gov.au](https://moneysmart.gov.au)

### Need help?

If you need any help, call us on **1300 360 750**

# Understand your insurance needs

To find out more about your insurance options, log in to or register for Member Online at [memberonline.qsuper.qld.gov.au](https://memberonline.qsuper.qld.gov.au)

You can review or change your cover via Member Online under Super > Insurance > Your insurance cover.



Death cover



Total & permanent disability cover



Income protection

## The features of QSuper insurance cover:

**Insurance that you can tailor to meet your needs.**

**Cover that's paid for through your super account.**

**1** For more information please refer to the *Accumulation Account Insurance Guide* issued 1 July 2019. **2** You may be required to provide health and other information at the time of your application, and your cover will start on the day it's accepted. Your cover will be subject to the terms and conditions applying at that time. For more information refer to the *Accumulation Account Insurance Guide* issued 1 July 2019. **3** There are various circumstances when cover will end. Refer to the *Accumulation Account Insurance Guide* issued 1 July 2019, available at [qsuper.qld.gov.au/pds](https://qsuper.qld.gov.au/pds)

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