

# TelstraSuper Corporate Plus

## Changes to insurance from 1 July 2020

From 1 July 2020, MLC Limited (MLC Life Insurance) will replace TAL Life Limited (TAL) as our insurer.

There will be premium rate changes, access to new services and programs and insurance enhancements. There will also be new online calculators and a dedicated insurance portal. Please read through this information sheet for details of these changes.

Insurance cover for most members will automatically transfer to MLC Life Insurance on 1 July 2020, including any outstanding applications for insurance made with TAL (if applicable).

### New insurance cover enhancements

From 1 July 2020, *TelstraSuper Corporate Plus* insurance cover will include the following enhancements:

- Members who are suffering from a terminal illness which is likely to cause their death within 24 months, will now be able to claim a terminal illness benefit (which is an advance on their death benefit). Previously this was only available to members with a 12-month life expectancy.
- Favourable changes to the definition of Total and Permanent Disablement (TPD) including:
  - Removal of requirement for employment termination in TPD definition
  - Unable to Work definition to include any member who has worked at least 15 hours per week at any point in the 6 months prior to their date of disablement
  - For members who have not been working for at least 6 months, a severe mental disorder definition has been included as part of the TPD definition, subject to a 19% or more Psychiatric Impairment Rating scale. A severe mental disorder is one that:
    - has been diagnosed by a psychiatrist under the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) issued by the American Psychiatric Association, and
    - has been assessed by a psychiatrist appointed by MLC Life Insurance as having an impairment of 19% or more on the Psychiatric Impairment Rating Scale.
- There will be no restriction on the number of times a member can claim on their Income Protection (IP) cover for the same or related condition (provided that the member has returned to the same work for at least six months).
- When completing a Life Event insurance application, members will no longer be subject to health evidence questions providing they declare they're in active employment at the time of the application, otherwise limited cover will apply to any cover granted. Refer to the **TelstraSuper Corporate Plus Insurance Guide** for the definition of limited cover.

\*Voluntary cover is cover that is obtained by satisfying our underwriting requirements and which is not top-up cover or default cover.

### Leaving your employer

From 1 July 2020, eligible members who leave a Telstra Group employer will receive default base insurance cover in a new TelstraSuper Personal Plus account which is equal to the default base cover they held previously (this excludes any voluntary\* cover). They will need to pay for this insurance cover and the premium will be based on a weekly unitised rate. This cover will decrease as the member gets older.

If a member had voluntary cover in their account, this will be transferred across as member paid voluntary cover, is a fixed amount and will be subject to Personal Plus voluntary cover (top-up) rates. If a member is aged under 25 or has an account balance of less than \$6,000 when they transfer, they'll need to 'opt-in' to retain all of their cover. Eligible members can also apply to continue their Income Protection cover in their Personal Plus account when they leave their Telstra Group employer.

### New insurance premiums

Changes to insurance premiums have been happening across the superannuation industry over the last 12 months due to the introduction of recent legislation aimed at protecting members' retirement savings.

As a profit-for-member fund, TelstraSuper doesn't benefit from insurance premiums – the premiums reflect the cost of providing members with insurance cover.

New premium rates will apply to our *TelstraSuper Corporate Plus* cover from 1 July 2020, and these rates are unlikely to change for at least three years except in very limited circumstances. These circumstances include such events as war, legislative or regulatory changes, or significant changes to the TelstraSuper membership as defined by our policy.

- Death and Total & Permanent Disablement (TPD) cover premium rates will **decrease by 8%**
- Income Protection cover premium rates will **increase by 16.6%**.

Insurance premiums are calculated using a variety of rates based on factors such as age, gender, salary and the type of cover. **Please note** on 1 July 2020, your age for insurance purposes automatically changes to your age as at your next birthday (unless your birthday is 1 July).

This information sheet outlines the changes and can be used to calculate insurance premiums effective 1 July 2020. Use it to check the rates for insurance cover you have or any new cover you wish to apply for.

Below is information about the new *TelstraSuper Corporate Plus* premiums, effective 1 July 2020.

### Base Death & TPD cover

#### Permanent full-time, part-time employees and contractors

##### Members aged 60\* or under

The base level of Death & TPD insurance cover for eligible<sup>^</sup> members is calculated as:

Multiple of salary (see Table 1 on page 3)

x your salary for insurance purposes = Base level of Death & TPD cover

From 1 July 2020, the rates in Table 1 on page 3 will apply when calculating premiums. See the example for how to calculate base Death & TPD cover and premiums.

#### Members aged 61-65\*

From 1 July 2020, the age-based Death & TPD cover premium for eligible<sup>^</sup> members is decreasing from \$2.35 to \$2.16 per week.

#### Members aged 66-75\*

From 1 July 2020, for eligible<sup>^</sup> members with existing base Death cover premiums will decrease from \$1.23 to \$1.13 per week.

#### Casual employees

From 1 July 2020, the age-based Death & TPD cover premium rate for eligible<sup>^</sup> members aged 65\* and under is decreasing from \$2.36 to \$2.17 per week. For eligible<sup>^</sup> members aged 66 to 75\* with existing base Death cover the premium rate will decrease from \$1.23 to \$1.13 per week.

#### Former defined benefit members

##### Full-time or part-time employees

The rates in Table 1 on page 3 will apply for existing eligible<sup>^</sup> members aged 60\* or under from 1 July 2020.

From 1 July 2020, for eligible<sup>^</sup> members aged 61 to 65\* with existing base Death & TPD cover the premium rate will decrease from \$2.66 to \$2.16 per week. For eligible<sup>^</sup> members aged 66 to 75\* with existing Death cover the premium rate will decrease from \$1.39 to \$1.13 per week.

##### Casual employees

From 1 July 2020, for eligible<sup>^</sup> members with existing base Death & TPD cover the premium rate will decrease from \$2.67 to \$2.17 per week.

##### Top-up cover

Annual top-up premiums are calculated per \$1,000 sum insured. From 1 July 2020, the rates in Table 1 on page 3 will apply. See the example below for how to calculate top-up cover.

##### Income Protection cover

Income Protection insurance rates for eligible<sup>^</sup> members from 1 July 2020 are outlined in Table 2 on page 4. See the example below for how to calculate Income Protection annual insured amount and premium.

#### Access to new services and programs

From 1 July 2020, members who have insurance cover through their TelstraSuper account will have access to innovative programs and services to support their health and wellbeing. These include:

- Best Doctors service
- Mental Health Navigator

- Pre-Claim Early Engagement Service
- CancerAid Coach Program.

Information about these programs and services is available at [telstrasuper.com.au/insurance2020](http://telstrasuper.com.au/insurance2020)

#### New insurance portal & calculators

From 1 July 2020, members will have the option of conveniently managing their cover and claims through a dedicated insurance portal which they can access through their TelstraSuper online account.

Through this portal members will be able to:

- apply for insurance cover
- apply to vary or cancel their existing insurance cover
- track the progress of their insurance applications
- submit claims
- track the progress of their claims
- engage in wellness programs.

New calculators will also be available on our website and in the dedicated insurance portal from 1 July 2020:

- Needs calculator – can help you understand how much cover you might need based on the information you enter about your personal circumstances
- Premium calculator – can provide you with an estimate of how much the premium cost will be for a nominated amount of cover for your membership type.

#### More information about TelstraSuper Corporate Plus insurance

For more information about **TelstraSuper Corporate Plus** insurance cover, including eligibility criteria, refer to the **TelstraSuper Corporate Plus Insurance Guide**, dated 1 December 2019, available at [telstrasuper.com.au/pds](http://telstrasuper.com.au/pds)

A new **TelstraSuper Corporate Plus Insurance Guide**, containing all the details of our updated insurance offering, will be available from 1 July 2020 at [telstrasuper.com.au/pds](http://telstrasuper.com.au/pds) or by calling us on **1300 033 166**.

#### Questions?

Read our frequently asked questions about changes to insurance from 1 July 2020 at [telstrasuper.com.au/insurance2020](http://telstrasuper.com.au/insurance2020) or call us on **1300 033 166** between **8.30am** and **5.30pm** (Melbourne time) Monday to Friday.

#### Example

Dave is a permanent full-time employee of Telstra and will be age 43 next birthday. He has a salary (including super) of \$80,000, base Death & TPD cover, top-up Death & TPD cover of \$360,000, and Income Protection cover. Dave would use tables 1, 2 and 3 to calculate his new insurance cover amounts and premiums, effective 1 July 2020.

##### Base Death & TPD Insured amount

Age next birthday 43  
Age-based multiple is 2.8

To calculate base Death & TPD insured amount  
= multiple x salary  
= 2.8 x \$80,000  
= \$224,000

Dave's base Death & TPD insurance cover is \$224,000 for the 12 months starting on 1 July 2020.

##### Base Death & TPD premium

To calculate the base Death & TPD premium on \$224,000 of cover  
= Cover amount/1,000 x 1.21  
= \$224,000/1,000 x 1.21  
= \$271.04

Dave's annual insurance premium for \$224,000 of base Death & TPD cover is \$271.04

##### Top-up Death & TPD insurance premium

Dave has top-up Death & TPD cover of \$360,000

To calculate the top-up cover premium  
= Cover amount/1,000 x insurance rate  
= \$360,000/1,000 x 1.62  
= \$583.20

Dave's annual insurance premium for \$360,000 of top-up Death & TPD cover is \$583.20

##### Income Protection insured amount

Salary for Income Protection purposes excludes super.

Dave's income is  
= \$80,000/1.095 (9.5% SG)  
= \$73,059

Annual Income Protection benefit  
= 85% x income  
= 85% x \$73,059  
= \$62,100 (rounded down)

Dave's annual Income Protection benefit is \$62,100. Ten percent of this amount will be paid into his TelstraSuper account.

##### Income Protection premium

Dave has \$62,100 of Income Protection cover.

To calculate the Income protection premium  
= Cover amount/1,000 x insurance rate  
= \$62,100/1,000 x 2.02  
= \$125.44

Dave's annual Income Protection premium for \$62,100 of annual cover with a 90 day waiting period and 2 year benefit period is \$125.44

The calculations above are based on white collar rates and with no medical loadings.

\*Age next birthday as at last 1 July.

<sup>^</sup>Refer to the TelstraSuper Corporate Plus Insurance Guide for eligibility criteria.

**Table 1: Death and TPD rates annual cost per \$1,000 sum insured**

Age next birthday*	Base Death & TPD cover (permanent full-time and part-time employees)			Base Death cover only	Top-up Death cover		Top-up Death & TPD cover	
	Multiple of salary	Unisex	Unisex former Defined Benefit members	Unisex	Males	Females	Males	Females
16	4.5	0.63	0.74	0.62	0.63	0.34	0.64	0.36
17	4.5	0.77	0.91	0.76	0.75	0.34	0.76	0.36
18	4.4	0.89	1.05	0.85	0.81	0.33	0.86	0.34
19	4.3	0.93	1.09	0.86	0.87	0.33	0.95	0.34
20	4.2	0.97	1.14	0.89	0.88	0.32	0.96	0.33
21	4.1	0.96	1.13	0.87	0.88	0.32	0.97	0.33
22	4.1	0.91	1.09	0.81	0.87	0.28	0.98	0.30
23	4.1	0.88	1.04	0.75	0.82	0.27	0.95	0.29
24	4.1	0.85	0.99	0.72	0.80	0.26	0.95	0.28
25	4.1	0.81	0.95	0.66	0.75	0.25	0.90	0.27
26	3.8	0.82	0.97	0.69	0.72	0.21	0.87	0.27
27	3.8	0.78	0.91	0.64	0.69	0.20	0.84	0.26
28	3.8	0.75	0.88	0.62	0.63	0.20	0.78	0.27
29	3.8	0.73	0.86	0.55	0.59	0.19	0.75	0.28
30	3.8	0.69	0.81	0.52	0.55	0.19	0.75	0.30
31	3.8	0.68	0.80	0.51	0.53	0.20	0.72	0.31
32	3.8	0.63	0.74	0.47	0.52	0.20	0.71	0.35
33	3.8	0.63	0.75	0.49	0.52	0.21	0.71	0.40
34	3.8	0.64	0.75	0.47	0.52	0.26	0.72	0.46
35	3.8	0.65	0.77	0.46	0.52	0.27	0.75	0.52
36	3.8	0.65	0.77	0.45	0.53	0.29	0.78	0.57
37	3.7	0.68	0.81	0.44	0.55	0.33	0.83	0.68
38	3.6	0.72	0.85	0.47	0.62	0.37	0.95	0.76
39	3.5	0.77	0.92	0.50	0.65	0.42	1.02	0.88
40	3.4	0.85	1.01	0.53	0.72	0.47	1.15	0.99
41	3.2	0.95	1.11	0.55	0.75	0.52	1.28	1.14
42	2.9	1.09	1.29	0.64	0.83	0.56	1.44	1.25
43	2.8	1.21	1.44	0.69	0.92	0.65	1.62	1.41
44	2.6	1.37	1.62	0.75	1.00	0.72	1.82	1.60
45	2.4	1.55	1.83	0.85	1.10	0.78	2.06	1.78
46	2.2	1.77	2.08	0.92	1.21	0.87	2.31	1.98
47	2.0	2.04	2.42	1.04	1.34	0.96	2.61	2.19
48	1.8	2.37	2.82	1.19	1.44	1.01	2.91	2.43
49	1.6	2.73	3.22	1.34	1.60	1.10	3.25	2.68
50	1.5	3.04	3.59	1.44	1.71	1.20	3.60	3.00
51	1.4	3.46	4.08	1.61	1.87	1.28	4.02	3.29
52	1.2	3.99	4.71	1.81	2.00	1.36	4.42	3.67
53	1.0	4.73	5.59	2.12	2.17	1.47	4.87	4.05
54	0.8	5.47	6.48	2.37	2.35	1.60	5.39	4.51
55	0.7	6.17	7.30	2.64	2.53	1.68	5.89	4.96
56	0.6	6.85	8.10	2.88	2.71	1.80	6.47	5.52
57	0.5	7.68	9.08	3.17	2.92	1.90	7.06	6.11
58	0.4	8.65	10.23	3.53	3.16	2.00	7.74	6.75
59	0.3	9.63	11.39	3.87	3.39	2.14	8.44	7.42
60	0.2	10.90	12.91	4.35	3.66	2.24	9.18	8.09
61	Refer to Table 2 on page 7 of the Insurance Guide to determine the base level Death & TPD cover you will receive.				3.94	2.37	10.00	8.75
62					4.26	2.49	10.87	9.44
63					4.60	2.63	11.79	10.12
64					4.98	2.79	12.81	10.82
65					5.39	2.94	13.86	11.51
66					5.81	3.13	n/a	n/a
67					6.27	3.32	n/a	n/a
68					6.78	3.52	n/a	n/a
69					7.33	3.74	n/a	n/a
70					7.91	3.97	n/a	n/a
71					8.55	4.20	n/a	n/a
72					9.24	4.45	n/a	n/a
73					9.97	4.72	n/a	n/a
74					10.77	5.00	n/a	n/a
75					11.64	5.30	n/a	n/a

\* As at last 1 July.

**Table 3: Income Premium rates annual cost per \$1,000 sum insured\***

Benefit period	2 Years <sup>‡</sup>								5 Years							
	30 days		60 days		90 days <sup>‡</sup>		120 days		30 days		60 days		90 days		120 days	
Waiting period	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
ANB <sup>†</sup>	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
16	3.58	4.64	2.32	2.80	1.28	1.45	1.21	1.38	4.23	6.00	2.73	3.64	1.99	2.47	1.71	2.17
17	3.58	4.73	2.32	2.86	1.28	1.47	1.21	1.40	4.23	6.11	2.73	3.71	1.99	2.51	1.71	2.20
18	3.68	4.78	2.38	2.89	1.32	1.48	1.26	1.41	4.35	6.17	2.81	3.74	2.05	2.53	1.77	2.23
19	3.70	4.83	2.38	2.92	1.32	1.50	1.26	1.42	4.35	6.24	2.81	3.78	2.05	2.54	1.77	2.24
20	3.70	4.84	2.38	2.92	1.32	1.50	1.26	1.42	4.35	6.25	2.81	3.78	2.05	2.55	1.77	2.24
21	3.73	4.89	2.40	2.94	1.33	1.52	1.27	1.43	4.41	6.32	2.83	3.82	2.08	2.57	1.78	2.26
22	3.53	4.93	2.26	2.96	1.26	1.53	1.19	1.42	4.20	6.42	2.72	3.89	1.96	2.64	1.69	2.32
23	3.36	4.97	2.16	2.98	1.19	1.54	1.13	1.35	4.03	6.53	2.61	3.96	1.88	2.67	1.62	2.36
24	3.28	5.01	2.10	3.01	1.15	1.55	1.10	1.31	3.96	6.63	2.54	4.02	1.84	2.72	1.59	2.40
25	3.15	5.06	2.01	3.03	1.11	1.56	1.05	1.26	3.84	6.75	2.46	4.10	1.78	2.76	1.54	2.45
26	3.05	4.97	1.92	3.02	1.05	1.57	1.00	1.20	3.75	6.72	2.40	4.12	1.71	2.81	1.48	2.50
27	2.96	5.38	1.88	3.24	1.03	1.66	0.98	1.17	3.67	7.32	2.36	4.44	1.69	3.01	1.46	2.67
28	2.95	5.69	1.88	3.38	1.03	1.73	0.98	1.18	3.70	7.84	2.37	4.71	1.70	3.16	1.47	2.80
29	2.93	5.96	1.85	3.53	1.01	1.78	0.97	1.17	3.70	8.28	2.37	4.93	1.70	3.28	1.47	2.94
30	2.98	6.25	1.88	3.67	1.03	1.84	0.98	1.18	3.81	8.76	2.43	5.20	1.74	3.44	1.52	3.07
31	3.04	6.46	1.91	3.80	1.04	1.89	0.99	1.19	3.94	9.16	2.50	5.43	1.78	3.57	1.56	3.19
32	3.15	6.67	1.98	3.89	1.07	1.94	1.01	1.24	4.13	9.53	2.61	5.64	1.84	3.71	1.61	3.31
33	3.28	6.90	2.03	4.05	1.10	2.02	1.04	1.26	4.31	9.98	2.71	5.92	1.90	3.88	1.68	3.50
34	3.42	7.10	2.12	4.19	1.13	2.10	1.08	1.31	4.56	10.37	2.83	6.17	1.99	4.06	1.75	3.65
35	3.60	7.36	2.22	4.35	1.18	2.19	1.12	1.38	4.85	10.88	3.02	6.49	2.10	4.31	1.85	3.88
36	3.81	7.64	2.36	4.55	1.25	2.32	1.18	1.45	5.19	11.44	3.23	6.87	2.23	4.59	1.98	4.15
37	4.00	7.95	2.46	4.78	1.31	2.45	1.25	1.53	5.50	12.10	3.42	7.31	2.38	4.93	2.11	4.49
38	4.20	8.37	2.61	5.06	1.39	2.62	1.32	1.61	5.85	12.86	3.64	7.85	2.53	5.35	2.25	4.86
39	4.42	8.83	2.75	5.38	1.47	2.80	1.40	1.73	6.25	13.76	3.89	8.47	2.73	5.81	2.44	5.29
40	4.68	9.37	2.94	5.75	1.59	3.03	1.52	1.85	6.69	14.84	4.22	9.19	2.98	6.39	2.67	5.82
41	4.93	10.04	3.14	6.23	1.71	3.31	1.62	2.01	7.16	16.10	4.56	10.07	3.26	7.07	2.94	6.46
42	5.17	10.77	3.31	6.72	1.84	3.61	1.75	2.16	7.59	17.49	4.90	11.04	3.54	7.84	3.19	7.17
43	5.52	11.58	3.59	7.30	2.02	3.98	1.91	2.38	8.21	19.06	5.38	12.15	3.95	8.71	3.56	7.98
44	5.84	12.50	3.85	7.95	2.19	4.37	2.09	2.60	8.79	20.84	5.82	13.40	4.35	9.71	3.94	8.92
45	6.26	13.53	4.19	8.70	2.43	4.84	2.30	2.87	9.56	22.78	6.44	14.81	4.87	10.83	4.42	9.98
46	6.63	14.63	4.51	9.50	2.66	5.35	2.52	3.15	10.27	24.93	7.03	16.35	5.41	12.10	4.91	11.16
47	7.14	15.80	4.92	10.37	2.95	5.89	2.79	3.51	11.18	27.21	7.79	18.01	6.09	13.46	5.53	12.44
48	7.71	17.12	5.42	11.33	3.29	6.49	3.12	3.91	12.22	29.78	8.66	19.89	6.88	14.97	6.27	13.89
49	8.35	18.60	5.96	12.42	3.67	7.18	3.50	4.37	13.35	32.67	9.62	22.00	7.77	16.71	7.08	15.51
50	9.02	20.11	6.55	13.55	4.08	7.89	3.88	4.89	14.59	35.66	10.67	24.19	8.72	18.50	7.98	17.21
51	9.82	21.79	7.24	14.77	4.57	8.69	4.34	5.47	16.02	38.99	11.90	26.63	9.84	20.52	9.04	19.11
52	10.69	23.60	7.98	16.10	5.11	9.53	4.85	6.13	17.62	42.56	13.27	29.27	11.10	22.68	10.21	21.17
53	11.76	25.51	8.88	17.54	5.73	10.42	5.43	6.89	19.54	46.35	14.89	32.05	12.56	24.98	11.58	23.35
54	12.98	27.55	9.89	19.04	6.42	11.40	6.11	7.75	21.76	50.39	16.73	35.04	14.23	27.42	13.12	25.70
55	14.38	29.69	11.05	20.64	7.23	12.42	6.87	8.73	24.32	54.65	18.87	38.17	16.15	30.02	14.91	28.16
56	15.97	31.95	12.36	22.32	8.12	13.48	7.70	9.82	27.20	59.16	21.23	41.47	18.25	32.73	16.90	30.74
57	17.71	34.40	13.78	24.12	9.09	14.62	8.63	11.03	30.37	64.04	23.83	45.03	20.57	35.61	19.06	33.52
58	19.74	36.97	15.43	26.00	10.21	15.80	9.70	12.41	33.99	69.16	26.76	48.73	23.16	38.62	21.50	36.39
59	21.99	39.67	17.25	27.95	11.44	17.02	10.87	13.92	37.99	74.52	29.97	52.55	25.99	41.73	24.17	39.35
60	24.54	42.50	19.29	30.00	12.81	18.28	12.18	15.65	42.49	80.13	33.55	56.55	29.09	44.93	27.11	42.42
61	27.48	45.49	21.61	32.12	14.37	19.61	13.64	17.56	47.09	84.97	36.69	59.20	31.54	46.50	29.00	43.18
62	30.74	48.51	24.17	34.28	16.07	20.94	15.26	19.66	46.00	77.49	35.61	53.79	30.46	42.10	27.89	38.86
63	34.49	51.67	27.06	36.55	17.97	22.34	17.07	21.22	43.06	67.08	33.06	46.31	28.09	36.04	25.51	32.93
64	31.41	45.74	23.83	31.26	15.43	18.53	14.64	17.61	31.41	45.74	23.83	31.26	15.43	18.53	14.64	17.61
65	11.89	17.33	8.80	11.52	5.60	6.66	5.33	6.12	11.89	17.33	8.80	11.52	5.60	6.66	5.33	6.12

\*Stamp duty is payable in addition to the Income Protection premiums above and varies depending on your state of residence.

<sup>†</sup> As at last 1 July.

<sup>‡</sup> 2 years benefit period and 90 days waiting period cover is the default cover.

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