

# TelstraSuper Personal 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 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 Personal 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).
- Removal of minimum 15 hours per week work requirement to be eligible for IP cover. IP cover remains unavailable to members in casual employment.

- 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 Personal Plus Insurance Guide** for the definition of limited cover.

### Transferring members

From 1 July 2020, if a member transfers into the Personal Plus division from another division, they will receive insurance cover 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.

Eligible members can currently apply to continue their Income Protection cover in their Personal Plus account when they leave their Telstra Group employer. While this offer continues to remain open for 120 days from the date of ceasing with their Telstra Group employer, the requirement for their new employer to pay a superannuation guarantee (SG) contribution into their Personal Plus account has been extended to 180 days of ceasing employment.

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.

### 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 Personal 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.

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

- 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.

Following is information about the new *TelstraSuper Personal Plus* premiums, effective 1 July 2020.

## Base Death & TPD cover

### Members aged 65\* and under

From 1 July 2020, the age-based Death & TPD cover premiums for eligible<sup>^</sup> members are decreasing from \$2.36 to \$2.17 per week.

Death only cover premiums are decreasing from \$1.23 to \$1.13 per week.

See Table 1 on page 3 for age-based Death & TPD cover amounts. See the example for how to calculate base Death & TPD premiums.

### Members aged 66-75\*

From 1 July 2020, the premiums payable by eligible<sup>^</sup> members with existing age-based Death cover will decrease from \$1.23 to \$1.13 per week.

See the Table 1 on page 3 for age-based Death cover amount.

### Top-up cover

Annual top-up cover premiums are calculated per \$1,000 sum insured.

From 1 July 2020, the rates in Table 2 on page 3 will apply. See the example for how to calculate the premium for top-up cover.

### Income Protection cover

Income Protection insurance rates for eligible<sup>^</sup> members from 1 July 2020 is outlined in Table 3 on page 4. See the example 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 on 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 Personal Plus insurance

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

A new **TelstraSuper Personal 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**.

### Example

Naomi is age 35 next birthday and has a salary of \$80,000 (excludes super). Naomi has base Death & TPD cover, top-up Death & TPD cover of \$350,000, and Income Protection cover with a 90 day waiting period and 2 year benefit period. Using tables 1, 2 and 3, here is how Naomi would calculate her new insurance cover amounts and premiums, effective 1 July 2020.

### Base Death & TPD Insured amount

Age next birthday 35

Age-based insured amount = \$134,681

### Base Death & TPD premium

To calculate base Death & TPD insurance

= \$2.17 x 52

= \$112.84

Naomi's annual insurance premium for \$134,681 of base Death & TPD cover is \$112.84

### Top-up Death & TPD insurance premium

Naomi has top-up Death & TPD cover of \$350,000.

To calculate the top-up premium

= Cover amount/1,000 x insurance rate

= \$350,000/1,000 x 0.53

= \$185.50

Naomi's annual insurance premium for \$350,000 of top-up Death & TPD cover is \$185.50

### Income Protection insured amount

Naomi has a salary of \$80,000 (excludes super).

Annual Income Protection benefit

= 85% x income

= 85% x \$80,000

= \$68,000

Naomi's annual Income Protection benefit is \$68,000.

Ten percent of this amount will be paid into her TelstraSuper account.

### Income Protection premium

Naomi has \$68,000 of Income Protection cover.

To calculate the Income Protection premium

= Cover amount/1,000 x insurance rate

= \$68,000/1,000 x 5.35

= \$363.80

Naomi's annual Income Protection premium for \$68,000 of annual cover is \$363.80

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 Personal Plus Insurance Guide for eligibility criteria.

## Questions?

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

**Table 1: Age-based Death & TPD cover**

Age next birthday*	Death cover	TPD cover	Age next birthday*	Death cover	TPD cover
16	155,194	155,194	46	61,511	61,511
17	155,194	155,194	47	56,524	56,524
18	155,194	155,194	48	52,109	52,109
19	155,194	155,194	49	48,413	48,413
20	155,194	155,194	50	44,718	44,718
21	155,194	155,194	51	41,204	41,204
22	155,194	155,194	52	37,868	37,868
23	155,194	155,194	53	34,533	34,533
24	155,194	155,194	54	31,376	31,376
25	155,194	155,194	55	29,095	29,095
26	134,681	134,681	56	25,335	25,335
27	134,681	134,681	57	22,451	22,451
28	134,681	134,681	58	19,980	19,980
29	134,681	134,681	59	18,000	18,000
30	134,681	134,681	60	16,585	16,585
31	134,681	134,681	61	14,760	14,760
32	134,681	134,681	62	13,964	13,964
33	134,681	134,681	63	13,244	13,244
34	134,681	134,681	64	12,794	12,794
35	134,681	134,681	65	12,254	12,254
36	115,560	115,560	66	11,353	0
37	112,500	112,500	67	10,519	0
38	109,260	109,260	68	9,734	0
39	101,520	101,520	69	9,016	0
40	96,415	96,415	70	8,349	0
41	90,686	90,686	71	7,733	0
42	84,484	84,484	72	7,158	0
43	78,696	78,696	73	6,624	0
44	73,898	73,898	74	6,133	0
45	68,134	68,134	75	5,676	0

\* As at last 1 July.

**Table 2: Top-up Death and TPD rates annual cost per \$1,000 sum insured**

Age next birthday*	Death only		Death & TPD	
	Male	Female	Male	Female
16	0.63	0.35	0.64	0.36
17	0.75	0.35	0.76	0.36
18	0.81	0.33	0.86	0.35
19	0.87	0.33	0.95	0.35
20	0.88	0.32	0.96	0.33
21	0.88	0.32	0.98	0.33
22	0.87	0.29	0.98	0.30
23	0.82	0.27	0.95	0.29
24	0.80	0.26	0.95	0.29
25	0.75	0.25	0.91	0.27
26	0.73	0.21	0.87	0.27
27	0.69	0.20	0.84	0.26
28	0.63	0.20	0.79	0.27
29	0.61	0.19	0.76	0.29
30	0.55	0.19	0.75	0.30
31	0.54	0.20	0.73	0.31
32	0.53	0.20	0.71	0.36
33	0.53	0.21	0.71	0.40
34	0.53	0.26	0.73	0.46
35	0.53	0.27	0.75	0.53
36	0.54	0.29	0.79	0.57
37	0.55	0.33	0.83	0.68
38	0.62	0.37	0.95	0.76
39	0.66	0.42	1.01	0.88
40	0.73	0.48	1.15	0.99
41	0.75	0.53	1.29	1.14
42	0.83	0.56	1.44	1.25
43	0.93	0.66	1.63	1.42
44	1.00	0.73	1.82	1.61
45	1.11	0.79	2.07	1.79
46	1.21	0.87	2.32	1.99
47	1.35	0.96	2.62	2.20
48	1.44	1.01	2.92	2.44
49	1.61	1.11	3.26	2.69
50	1.72	1.20	3.62	3.01
51	1.88	1.29	4.04	3.30
52	2.01	1.37	4.43	3.69
53	2.18	1.48	4.89	4.07
54	2.36	1.61	5.42	4.53
55	2.54	1.69	5.92	4.98
56	2.72	1.81	6.50	5.55
57	2.93	1.90	7.08	6.13
58	3.17	2.01	7.77	6.78
59	3.41	2.14	8.47	7.46
60	3.68	2.24	9.22	8.12
61	3.96	2.38	10.05	8.79
62	4.28	2.50	10.91	9.48
63	4.62	2.64	11.83	10.16
64	5.00	2.80	12.85	10.87
65	5.42	2.96	13.92	11.56
66	5.84	3.14		
67	6.30	3.34		
68	6.81	3.54		
69	7.36	3.75		
70	7.94	3.98		
71	8.58	4.22		
72	9.27	4.47		
73	10.02	4.74		
74	10.82	5.02		
75	11.69	5.32		

\* As at last 1 July.

**Table 3: Annual Income Protection premium rates per \$1,000 sum insured\***

Benefit period	2 Years								5 Years							
	30 days		60 days		90 days		120 days		30 days		60 days		90 days		120 days	
Waiting period	30 days		60 days		90 days		120 days		30 days		60 days		90 days		120 days	
Age next birthday†	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
16	5.89	7.84	3.74	4.66	2.68	3.09	2.29	2.69	6.81	9.92	4.36	5.96	3.14	3.99	2.69	3.51
17	5.97	8.06	3.80	4.80	2.72	3.19	2.32	2.76	6.90	10.21	4.42	6.13	3.19	4.10	2.73	3.60
18	6.25	8.28	3.98	4.93	2.83	3.28	2.43	2.83	7.24	10.49	4.63	6.30	3.32	4.22	2.86	3.70
19	6.35	8.40	4.05	4.98	2.90	3.31	2.46	2.87	7.37	10.63	4.71	6.39	3.38	4.27	2.92	3.74
20	6.37	8.54	4.05	5.08	2.90	3.36	2.46	2.93	7.37	10.83	4.71	6.48	3.38	4.34	2.92	3.81
21	6.46	8.66	4.12	5.14	2.94	3.40	2.50	2.95	7.50	10.97	4.79	6.58	3.44	4.38	2.95	3.85
22	6.02	8.90	3.81	5.27	2.72	3.50	2.32	3.03	7.02	11.38	4.47	6.80	3.22	4.55	2.75	3.99
23	5.75	8.99	3.64	5.35	2.60	3.53	2.20	3.05	6.76	11.58	4.30	6.94	3.08	4.63	2.66	4.06
24	5.49	9.00	3.46	5.35	2.46	3.53	2.11	3.07	6.53	11.68	4.14	7.00	2.96	4.66	2.54	4.12
25	5.20	9.09	3.29	5.40	2.33	3.57	1.98	3.10	6.24	11.92	3.96	7.15	2.81	4.78	2.43	4.22
26	4.99	9.00	3.14	5.41	2.19	3.61	1.88	3.16	6.04	11.92	3.81	7.23	2.69	4.89	2.33	4.31
27	4.77	9.84	2.98	5.85	2.11	3.87	1.81	3.38	5.80	13.14	3.67	7.89	2.61	5.27	2.24	4.68
28	4.75	10.51	2.98	6.18	2.11	4.05	1.81	3.54	5.84	14.17	3.70	8.43	2.64	5.59	2.26	4.94
29	4.78	11.15	3.00	6.51	2.11	4.23	1.82	3.71	5.93	15.18	3.74	8.98	2.66	5.89	2.32	5.24
30	4.82	11.72	3.01	6.81	2.11	4.38	1.82	3.86	6.03	16.13	3.80	9.48	2.69	6.19	2.34	5.50
31	5.06	12.18	3.15	7.07	2.19	4.54	1.89	3.99	6.41	16.94	4.02	9.93	2.82	6.45	2.46	5.75
32	5.19	12.52	3.23	7.26	2.23	4.64	1.92	4.10	6.67	17.59	4.15	10.30	2.92	6.69	2.53	5.97
33	5.47	13.08	3.36	7.59	2.33	4.86	2.02	4.29	7.08	18.55	4.38	10.87	3.05	7.05	2.68	6.32
34	5.86	13.46	3.59	7.84	2.46	5.05	2.15	4.47	7.66	19.26	4.73	11.32	3.28	7.38	2.87	6.62
35	6.09	14.11	3.72	8.24	2.53	5.35	2.20	4.75	8.06	20.42	4.94	12.06	3.40	7.92	3.00	7.11
36	6.55	14.80	3.99	8.71	2.72	5.69	2.38	5.07	8.75	21.72	5.38	12.92	3.68	8.54	3.25	7.68
37	6.97	15.54	4.24	9.21	2.90	6.07	2.53	5.42	9.41	23.15	5.76	13.86	3.96	9.26	3.51	8.36
38	7.39	16.38	4.54	9.78	3.09	6.51	2.72	5.81	10.11	24.74	6.23	14.91	4.28	10.05	3.80	9.11
39	7.94	17.36	4.89	10.45	3.36	7.02	2.97	6.28	11.01	26.58	6.80	16.16	4.71	11.00	4.19	9.98
40	8.50	18.63	5.27	11.31	3.67	7.66	3.25	6.88	11.93	28.93	7.44	17.72	5.20	12.18	4.64	11.09
41	9.11	20.13	5.70	12.31	4.01	8.44	3.56	7.58	12.93	31.69	8.14	19.59	5.76	13.60	5.15	12.39
42	9.71	21.77	6.16	13.44	4.38	9.30	3.91	8.38	13.99	34.72	8.91	21.66	6.39	15.19	5.73	13.88
43	10.47	23.52	6.73	14.64	4.86	10.26	4.33	9.23	15.25	37.96	9.86	23.93	7.17	16.97	6.45	15.51
44	11.17	25.63	7.29	16.13	5.35	11.42	4.78	10.31	16.51	41.87	10.83	26.65	7.99	19.09	7.21	17.49
45	12.16	27.86	8.06	17.70	5.99	12.67	5.36	11.47	18.21	46.06	12.14	29.59	9.11	21.43	8.21	19.68
46	13.07	30.28	8.78	19.45	6.63	14.05	5.95	12.76	19.83	50.58	13.43	32.81	10.24	24.00	9.23	22.08
47	14.14	32.82	9.67	21.28	7.40	15.54	6.66	14.16	21.72	55.44	14.95	36.31	11.57	26.81	10.49	24.72
48	15.52	35.74	10.79	23.38	8.41	17.25	7.56	15.73	24.12	60.96	16.88	40.26	13.27	29.99	12.04	27.69
49	16.90	38.97	11.93	25.73	9.44	19.13	8.50	17.49	26.54	67.13	18.90	44.70	15.08	33.58	13.71	31.05
50	18.41	42.31	13.21	28.16	10.60	21.12	9.57	19.33	29.20	73.59	21.14	49.37	17.08	37.35	15.57	34.63
51	20.17	46.02	14.68	30.86	11.93	23.31	10.81	21.40	32.27	80.75	23.72	54.56	19.41	41.56	17.75	38.58
52	22.19	49.92	16.37	33.70	13.44	25.63	12.20	23.58	35.83	88.29	26.68	60.04	22.07	46.02	20.21	42.82
53	24.52	54.21	18.29	36.85	15.17	28.18	13.81	25.99	39.97	96.60	30.11	66.08	25.14	50.92	23.06	47.46
54	27.17	58.63	20.47	40.10	17.09	30.85	15.57	28.50	44.68	105.23	33.99	72.36	28.59	56.04	26.28	52.31
55	30.32	63.38	23.03	43.57	19.34	33.69	17.65	31.19	50.28	114.48	38.56	79.05	32.64	61.49	30.05	57.48
56	33.84	68.46	25.86	47.27	21.85	36.71	19.99	34.06	56.53	124.33	43.64	86.19	37.13	67.27	34.23	62.98
57	37.72	73.85	29.02	51.20	24.60	39.90	22.54	37.08	63.44	134.85	49.21	93.75	42.02	73.36	38.82	68.79
58	42.22	79.54	32.61	55.30	27.75	43.22	25.50	40.25	71.32	145.95	55.54	101.69	47.54	79.74	43.99	74.87
59	47.19	85.47	36.58	59.54	31.19	46.63	28.74	43.48	79.95	157.50	62.38	109.86	53.47	86.26	49.60	81.08
60	52.91	91.86	41.09	64.07	35.11	50.24	32.44	46.94	89.79	169.85	70.09	118.54	60.14	93.14	55.86	87.66
61	59.44	98.49	46.21	68.79	39.52	53.99	36.60	50.53	99.94	180.50	77.03	124.38	65.47	96.66	59.98	89.43
62	66.68	105.27	51.83	73.57	44.30	57.79	41.15	54.18	97.84	164.95	74.93	113.25	63.40	87.69	57.83	80.65
63	75.06	112.43	58.24	78.61	49.72	61.79	46.31	58.04	91.93	143.16	69.79	97.72	58.63	75.23	53.10	68.51
64	69.24	100.81	51.92	68.13	43.22	51.91	38.56	46.30	69.24	100.81	51.92	68.13	43.22	51.91	38.56	46.30
65	26.14	38.21	19.16	25.14	15.65	18.66	13.36	15.60	26.14	38.21	19.16	25.14	15.65	18.66	13.36	15.60

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

† Age next birthday as at last 1 July.

Issued by:

Telstra Super Pty Ltd ABN 86 007 422 522 AFS Licence 236709, as the trustee of the Telstra Superannuation Scheme ABN 85 502 108 833 (TelstraSuper).

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