

## Why insurance matters

In a year that has seen so many unexpected events take place it is top of mind for most Australians now more than ever that life does not always go the way we plan, but having a plan in place if things do take an unexpected turn can mean that our health, lifestyle and family are better protected.

If you don't currently have any type of personal insurance cover, or you have not reviewed it with your Financial Adviser for a while, now is a good time to do so.

## Types of insurance

There are a few different types of insurance that you should consider, based on what matters to you and what you would most like protected if you were to suffer illness, injury, disablement or premature death. It's best to discuss insurance options with your Financial Adviser as they can tell you what different types of insurance policies are available, what they cover, and how to structure them in your overall financial plan, based on your individual situation and goals.

The types of insurance policies you may discuss are:

- Life insurance
- Total and Permanent Disablement insurance
- Income Protection insurance.

## The benefits of an insurance policy

### *Family first*

You and your loved ones count on your income to enjoy a certain standard of living, which is why insurance is particularly important if you have dependents. It means the people who matter most in your life are protected from financial hardship if you could no longer earn an income.

### *Less stress*

Unforeseen illness, injury, permanent disability, and death – it is not nice to think about but it does happen. If it happened to your family it would probably be an extremely challenging time, wrought with emotional stress, and even grief. With personal insurance in place, the financial stress can be reduced, allowing you to focus on getting well, and rebuilding your life.

### *Financial security*

Illness, injury and disablement do not come cheap. If you needed funds to recover from illness or injury would you have enough disposable income to cover medical bills whilst still paying your household expenses? Could you modify the home if need be? Would you want access to the best medical cover, treatments and rehabilitation options?

Insurance provides financial security so your life can continue with as much normalcy as possible, whilst you seek the best care available.

At a time when everything else seems out of control, it is good to know your financial security isn't!

## **The difference a Financial Adviser can make**

*ASIC found that the “claim declined” rate was around 50% higher where the claimant went direct to the insurer than if they went through an adviser. In other words, you have a much greater chance of success with an adviser.<sup>1</sup>*

A Financial Adviser looks at your specific circumstances, your lifestyle, goals and appetite to risk. Together you can discuss personal insurance policies, tapping into their expert knowledge and understanding of the requirements of insurance providers. You can also discuss options for holding insurance inside and outside of superannuation and, should you need to make a claim on a policy, your Financial Adviser can liaise with insurance companies and superannuation entities on your behalf.

If it's time to consider a personal insurance policy, or you want to review your existing policy, a Financial Adviser is willing and able to assist you.

### *Source:*

*<sup>1</sup> ASIC: Life insurance claims: An industry review*