



Insurance and your PSSap super

Issued 6 December 2019

! The information in this document forms part of the Product Disclosure Statement for the Public Sector Superannuation accumulation plan (PSSap), issued on 6 December 2019, fifteenth edition.

Contents

1. Introducing lifePLUS cover.....	2
2. Eligibility for lifePLUS cover.....	5
3. lifePLUS Income protection cover.....	7
4. lifePLUS Death and Total and Permanent Disability (TPD) cover.....	11
5. Applying for lifePLUS choice cover.....	15
6. Other lifePLUS cover features.....	16
7. Fees and premiums.....	17
8. How to make a claim.....	22
9. Where to get information and advice.....	25
10. Definitions.....	25



Public Sector
Superannuation
accumulation plan

! Things to remember when reading this document

This information describes the main features of the insurance offerings to PSSap members and is intended as a general guide only. The information in this booklet is based on the terms and conditions of the insurance policies which Commonwealth Superannuation Corporation (CSC) (ABN 48 882 817 243, AFSL 238069 and RSE Licence No. L0001397) currently holds on behalf of members of PSSap as at this Product Disclosure Statement (PDS) publication date. The insurance policies which CSC currently holds on behalf of PSSap members as at this PDS publication date are issued by AIA Australia Limited ('AIA Australia' or 'the Insurer') (ABN 79 004 837 861, AFSL 230043). It is possible that the terms and conditions of the insurance policies held by CSC (including the premiums charged to members) may change from time to time due to AIA Australia changing these terms and conditions or if AIA Australia ceases to be the insurer. If this happens, the information in this section may become outdated. We will let you know about any significant changes to the terms and conditions of the insurance cover. The full terms and conditions relating to insurance are set out in the insurance policies and in the event of any dispute about insurance, the policies will take priority over the information in this section.

This Booklet contains general advice and does not take account of your individual financial situation, objectives or needs.

Capitalised terms throughout this Booklet are defined in the 'Definitions' section at the end of this Booklet.

1. Introducing lifePLUS Cover

As a PSSap member, you have access to insurance that's designed exclusively with current and former Australian Government employees in mind. This insurance, lifePLUS cover, can help give you protection against financial burdens if you become sick or injured and unable to work.

Most people insure their car or their home, but may leave themselves completely unprotected against the accidents and illnesses that can happen to any of us. In this scenario, your financial security can be lost overnight. That's why it's so important to have the right level of personal insurance: income protection and insurance against death or disability.

Your insurance benefits can help pay bills, put food on the table and cover the cost of medical treatment. If you pass away, with family members who depend on you, insurance can help provide for their financial security.

lifePLUS auto cover is the default insurance for new PSSap members (and pre 1 October 2016 preserved benefit members who resume their contributory membership with an APS employer). Cover is generally available without having to complete any application forms or medical tests.

lifePLUS auto cover is generally provided automatically to permanent and non-ongoing contract employees (on a contract of more than three months) on an opt out basis.

If you are a casual (including non-ongoing contract employees on a contract of less than three months), you can choose to opt in to lifePLUS auto cover within 60 days of your welcome advice BUT no later than 180 days after you commence with your employer.

If you leave your employer to take up a job outside the APS, your lifePLUS cover will continue automatically. The exception to this is if you cease employment due to a sickness or injury or you are receiving, eligible to receive, or in the process of lodging a claim for Terminal Illness, TPD or income protection benefits.

Why insure through super

Insurance through super can be a cost effective way to hold insurance, with the benefit of group insurance often meaning lower premiums. These premiums are paid from your super balance, not your take home pay, which can help make finances easy.

Default insurance such as lifePLUS cover also saves you time and effort (finding, comparing, applying and potentially undergoing medical tests). Having a safety net level of cover in place better allows you to manage your finances and rest easy, knowing you are protected if you need it.

Why insure through PSSap

We have used our unique experience to design cover that meets the needs of current and former Government employees to ensure that you and your family's financial future is in safe hands.

- We have access to a network of rehabilitation providers to help you get back on your feet.
- A dedicated PSSap Case Manager will support you to make your claim. Their job is to make the process as easy for you as possible.
- We work closely with employers to deliver a coordinated service designed to help you get back on your feet.
- Unlike many policies, PSSap income protection also pays a super benefit – giving you one less worry while you recover.

We're also well-regarded as a provider of insurance through superannuation. In 2019, SuperRatings Pty Ltd (ABN 95 100 192 283) (an independent research house that assesses superannuation funds) rated us as Above Benchmark for our total service.

The following table summarises the key lifePLUS cover features available to members.

lifePLUS cover key feature snapshot
Cover is available to all PSSap members (subject to eligibility conditions being satisfied).
lifePLUS auto Death and TPD cover and income protection cover is offered to Casual employees on an opt in basis without underwriting.
Default Income Protection benefit period of 5 years on lifePLUS auto cover or 2 or 5 years on lifePLUS choice cover (or the end of your current contract for non-ongoing contract employees, if this ends earlier).
Income Protection benefit of: <ul style="list-style-type: none"> • up to 75% of the lesser of your reported Base Annual Salary and your Pre-Disability Income + an amount equal to 15.4% of your Base Annual Salary paid into your PSSap account for the first 2 years of your benefit period. • up to 50% of the lesser of your reported Base Annual Salary and your Pre-Disability Income + an amount equal to 15.4% of your Base Annual Salary paid into your PSSap account for years 3, 4 and 5 of your benefit period (if applicable), subject to the maximum monthly benefit.
Income Protection cover: <ul style="list-style-type: none"> • lifePLUS auto provides up to a maximum \$15 000 per month (without underwriting). • lifePLUS choice provides up to a maximum \$35 000 per month. <p>You have to be less than 67 years old to be eligible for Income protection cover. Income Protection cover ceases at age 67.</p>
Income Protection Waiting Periods: <ul style="list-style-type: none"> • lifePLUS auto cover has a default of 60 days; or • lifePLUS choice cover options of 30 days, 60 days, 90 days, or 180 days.
A Base Annual Salary of \$47 000 per annum is applied by default if details of your Base Annual Salary are not supplied by your employer. The Default Base Annual Salary may change from time to time.
Indexing of Income Protection benefits after 12 consecutive months of benefit payments (applicable to 5 year benefit period only).
Age based Death and TPD cover scale that changes as you age and, under lifePLUS choice, cover up to a maximum Death benefit of \$50 million and TPD benefit of \$3 million.
For permanent employees and non-ongoing contract employees joining or contributing to PSSap within 60 days of commencing employment – lifePLUS auto cover will be subject to Limited Cover for at least 12 consecutive months from the date lifePLUS auto cover commences. For permanent employees and non-ongoing contract employees joining or contributing to the PSSap more than 60 days after commencing employment – lifePLUS auto will be subject to Limited Cover for at least 24 consecutive months from the date lifePLUS auto commences. Casual Employees may opt in for lifePLUS auto cover within 60 days of the date of initial notification of the Casual Employee’s membership details BUT no later than 180 days after the date the Casual Employee commences employment.
PSSap members can transfer insurance cover outside of PSSap into PSSap and consolidate their insurance arrangements, subject to meeting conditions.
Interim Accident cover provided for Death and TPD and Income Protection when undergoing underwriting.
Cover may continue if on leave without pay (or leave with partial pay) for 24 months. However, your cover will cease if we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your cover despite your account being inactive. If your approved leave is longer than 24 months, you may apply for cover to continue on the same terms beyond 24 months and up to the new documented return to work date. If you do not apply or your application is not approved, cover will still continue but a different TPD definition may apply.
Income Protection cover permits you to return to work for up to 5 days during the Waiting Period (where a 30 day Waiting Period applies) or up to 10 days during the Waiting Period (where either a 60, 90 or 180 day Waiting Period applies) without recommencing the Waiting Period.
Ability to retain cover within PSSap upon leaving APS employment (or exercising choice of fund) without needing to make a further application (however cover will lapse if we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your cover despite your account being inactive).
PSS members who transfer to PSSap from PSS (and don’t already have lifePLUS cover in place via an Ancillary membership) will be provided with lifePLUS auto cover. The cover provided will be Limited Cover for at least 24 months from the date lifePLUS auto cover commences.
Terminal Illness benefit equal to Death cover (is not capped) and the certification period for Terminal Illness is 24 months – refer to the ‘Definitions’ section of this Booklet for more information on the Terminal Illness definition which applies.



lifePLUS auto cover

lifePLUS auto cover is the default insurance for most new members joining PSSap. Cover is available without having to complete any application forms or medical tests.

Its main benefit for members is income protection cover designed to better enable you to continue meeting your financial responsibilities if you're temporarily unable to work due to sickness or injury. Income protection cover will better enable you to concentrate on getting better.

Key features include:

- **Income Protection:** benefits are paid for up to 5 years based on a 60 day Waiting Period.
- **Continuing super contributions:** benefits can continue being paid into your super account if you suffer a disability.
- **Death and TPD cover:** age based death and TPD cover.
- **Easy application process:** apply quickly and easily for additional cover using LIFEapp – our online application process.

Are you eligible for lifePLUS cover?

Please refer to **section 2. Eligibility for lifePLUS cover** to find out if you are eligible for this type of cover.

Income protection cover

If eligible, you will receive income protection benefits for up to 5 years, or for non-ongoing contract employees the earlier of 5 years and until the end of your contract period which consists of the following:

Benefit period	Benefit amount	Retirement component
First 2 years (or, for non-ongoing contract employees, or until the end of your contract term if earlier)	75% of the lesser of your reported Base Annual Salary (or pre-disability income)	15.4% paid into your PSSap super account to help you continue to build for your retirement
Remaining 3 years (or, for non-ongoing contract employees, until the end of your current contract term if earlier)	50% of the lesser of your reported Base Annual Salary (or pre-disability income)	15.4% paid into your PSSap super account to help you continue to build for your retirement

You may request to change your income protection cover. Refer to **section 3. lifePLUS Income protection cover** for more information on the options in customising/changing your income protection cover to suit your needs.

Death and TPD cover

If eligible, lifePLUS auto cover also features age based death and TPD cover (that is, a level of cover that changes depending on your age).

You may request to change your Death and TPD cover.

Refer to **section 4. lifePLUS Death and TPD Cover** for more information on the options in customising/changing your cover to suit your needs.



lifePLUS choice cover

lifePLUS choice cover allows flexibility to customise your insurance to your circumstances.

Key features include:

- **Income Protection:** customise the period over which benefits are paid, and the Waiting Period that applies before you receive a benefit.
- **Continuing super contributions:** benefits can continue being paid into your super account if you suffer a disability.
- **Death and TPD cover:** you can fix your age based cover, so the amount of coverage you receive doesn't change automatically each birthday before age 61.
- **Easy application process:** apply quickly and easily for additional fixed Death and TPD cover using LIFEapp – our online application process.

Are you eligible?

Please refer to **section 2. Eligibility for lifePLUS cover** to find out if you are eligible for this type of cover.

Your options

With lifePLUS choice cover, you have the following options:

Death and TPD cover options

- Fixing your death and TPD cover.
- Applying for additional fixed cover.
- Applying for age based cover.
- Transferring cover from other superannuation funds allowing you to consolidate super accounts.

Income protection cover options

- Waiting periods: reducing the Waiting Period for income protection benefits (for example from 60 days to 30 days), or increasing the Waiting Period (for example from 60 days to 90 or 180 days).
- Benefit period: reducing the period over which income protection benefits are paid from 5 years to 2 years, or increasing it back to 5 years.
- Applying for additional income protection cover.
- Transferring cover from other superannuation funds allowing you to consolidate super accounts.

Your ability to exercise some of these options for Death, TPD and income protection cover will be subject to eligibility conditions and/or underwriting by the Insurer, and you can choose to cancel cover at any stage. Refer to **section 4. Death and TPD Cover** for more information on each of these options.

Interim accident cover

If you are applying for lifePLUS choice cover, interim accident cover will be provided to protect you during the application process for up to 90 days from the date the Insurer receives your application.

If you are applying for lifePLUS choice Income Protection cover, and you suffer a disability as a result of an accident during this time, you will be covered for the amount that is the lesser of:

- the monthly benefit you've applied for, and
- \$15 000 per month.

If you are applying for lifePLUS choice Death and/or TPD cover, and you die or become totally and permanently disabled (TPD) as a result of an accident during this time, you will be covered for the amount that is the lesser of:

- the cover amount you have applied for, and
- \$1000 000.

No TPD or income protection benefit will be payable under interim accident cover where your disability was as a result of any hazardous pursuits and past-times, where the Insurer would normally exclude such events.

This cover ends once the Insurer has made a decision to accept or reject your application for cover, you withdraw your application, you are no longer eligible for cover under PSSap lifePLUS cover or the 90 days expires.

2. Eligibility for lifePLUS cover

lifePLUS auto cover



New members joining (and pre 1 October 2016 preserved benefit members re-joining)

lifePLUS auto cover is open to most new PSSap members, as well as some people returning to work with the Australian government. This includes:

- New permanent or non-ongoing contract employees (on a contract of more than three months);
- New Casual Employees whose employer provides their first SG contribution to PSSap if they have chosen to take up lifePLUS auto cover, and we receive this information within 60 days of sending out initial membership details (but no later than 180 days of the date they commence employment with their eligible employer);
- Pre 1 October 2016 preserved benefit members who resume their contributory membership with an APS employer.

If you elect to have non APS employer contributions paid to your PSSap account, you will cease to be eligible for lifePLUS auto cover should you return to APS employment.

If you receive lifePLUS auto cover, and you subsequently cancel your insurance, you will cease to be eligible for lifePLUS auto cover – even if you work for another eligible employer or re-join the APS. You can apply for lifePLUS choice cover instead.

There are also age requirements to be eligible for the different types of cover available under lifePLUS auto cover:

- **Death and TPD cover:** you must be at least 14 years and 9 months and less than 65 years old when you join PSSap.
- **Income Protection cover:** you must be at least 14 years and 9 months and less than 67 years old when you join PSSap.

Permanent and non-ongoing contract employees

When does your cover begin?

For eligible permanent and non-ongoing contract employees (on a contract of more than three months) joining PSSap, cover begins at the start of the pay period covered by your first Superannuation Guarantee (SG) contribution; or if you are returning to work with the Australian government, the start of the pay period covered by your first SG contribution with your new employer. This is generally the date you start with your eligible employer.

Casual employees

Under lifePLUS auto cover, Casual Employees will receive Death and TPD and Income Protection cover on an opt-in basis.

When does your cover begin?

For eligible Casual Employees, cover begins on the day we receive your election to take up lifePLUS auto cover (and we have received details of your Base Annual Salary).

An election form will be included with your initial membership details.

Incorrect classification

You may not be eligible for lifePLUS auto cover if you were incorrectly classified as a permanent or non-ongoing contract employee (on a contract of more than three months) upon first joining PSSap and didn't correct this within 60 days of the date of your initial membership details notification.

Pre 1 October 2016 Preserved benefit members returning to APS employment

You may be eligible for lifePLUS auto cover if:

- You are a member of PSSap from an earlier period of APS employment (before 1 October 2016);
and
- You do not hold lifePLUS choice cover with PSSap at the time of taking up employment with an eligible employer after 1 October 2016.

If you were a preserved benefit member before 1 October 2016, you will not be eligible for lifePLUS auto cover if, at any time after 1 October 2016, your employer contributions have been made by a non-APS employer. Contact us to confirm whether you are eligible for lifePLUS auto cover.

Limited Cover

All new members joining PSSap and pre 1 October 2016 preserved benefit members returning to APS employment receiving lifePLUS auto cover will be subject to Limited Cover for at least 12 consecutive months, providing you with cover for any new illness or injury after your lifePLUS auto cover commences.

You will have Limited Cover for at least 24 consecutive months if:

- Your first SG contribution is received by PSSap more than 60 days after you start work with an eligible employer; or
- You are a member of PSS (and do not hold cover as an Ancillary member), and choose to transfer to PSSap and receive lifePLUS auto cover.

Full cover will be available once you have been continuously At Work for the last three consecutive months of your Limited Cover period (12 or 24 months) otherwise Limited Cover will continue to apply until you are continuously At Work for three consecutive months. Refer to the **Definitions section** of this Booklet for an explanation of At Work and Limited Cover.

PSSap Ancillary members

PSSap Ancillary memberships are for eligible CSS and PSS members who want to grow super in PSSap. CSS and PSS memberships are not affected in any way. If you are an Ancillary member, you are not eligible for lifePLUS auto cover, unless you become an ordinary PSSap member. This means that you would no longer be a contributing CSS or PSS defined benefit member. This may be because:

- You opted out of your CSS or PSS defined benefit, or
- You are receiving a defined benefit pension.

In this scenario, your employer contributions would be paid into PSSap. As an Ancillary member, you can, however, apply for lifePLUS choice cover at any stage.



Former PSS members

If you transfer to PSSap from PSS, and do not hold cover as a PSSap Ancillary member, you will receive lifePLUS auto cover (Death and TPD cover and Income Protection). Limited Cover will apply from the date cover commences for 24 consecutive months. Full cover will be available once you have been continuously At Work for the last three consecutive months of this 24 month period, otherwise Limited Cover will continue to apply until you are continuously At Work for three consecutive months. Refer to the **Definitions section** of this booklet for an explanation of At Work and Limited Cover.

If you receive lifePLUS auto cover and you had Additional Death and Invalidation Cover (ADIC) through your previous PSS membership, your ADIC will be cancelled. Your ADIC would not be affected if you have cover via a PSSap Ancillary membership (and have lifePLUS choice cover).

lifePLUS choice cover

All PSSap members (who are at least 14 years and 9 months of age and up to age 67 for income protection cover and age 70 for Death and TPD cover) are eligible to apply for lifePLUS choice cover.

Limited Cover

Unlike lifePLUS auto cover members, there is no Limited Cover period applying to lifePLUS choice cover as you undergo underwriting, which gives the Insurer a more accurate risk profile relating to your health and wellbeing.

You will receive full cover from the date your lifePLUS choice cover application is accepted by the Insurer, however the Insurer may still apply special conditions to your cover (including exclusions or premium loadings) depending on your individual risk profile.

3. Income protection cover

It's easy to take a steady income for granted. However, if you are injured or suddenly fall ill, you can very quickly find bills (and pressure to meet them) mounting up.

Having lifePLUS cover income protection in place is a smart strategy to better enable you to meet your financial responsibilities and support your rehabilitation allowing you to concentrate on the most important thing – getting better.

Cover benefits – Income protection cover for longer

Reflecting the trend that people are working longer, lifePLUS cover is available to members until they reach 67.



lifePLUS auto cover

If eligible, you will receive income protection benefits for up to 5 years, or for non-ongoing contract employees the earlier of 5 years and until the end of your contract period.

For example, if you were employed on a non-ongoing contract that ended after 4 years, you would receive income protection benefits up to the end of your contract period.

If you don't want a 5 year benefit period, you can switch to lifePLUS choice, and change to a 2 year benefit period.

Maximum cover

The maximum income protection cover provided (without underwriting) is \$15 000 per month for lifePLUS auto cover. PSSap members can apply, via underwriting, for income protection cover up to a maximum of \$35 000 per month.



lifePLUS choice cover

When applying for lifePLUS choice cover, you have the option of electing a 2 year or 5 year benefit period.



Super (and income protection) elsewhere?

Holding two income protection policies may result in you paying premiums for cover you cannot claim. If this is you – it might be best to consider your insurance needs.

Transferring income protection cover

If you hold income protection cover with other superannuation funds or insurers, you may be able to consolidate your income protection, subject to conditions which include:

- You must be under age 55 years old and an Australian resident;
- You can transfer up to a maximum monthly benefit of \$20 000;
- You cancel your cover with the other super fund/s or insurer/s;
- You satisfactorily complete the **Transfer of insurance cover** form which is accepted by the Insurer.

There are a number of other restrictions and eligibility conditions that apply to a transfer of cover. You can view the full list of terms and conditions and apply to make a transfer by completing the **Transfer of insurance cover** form, which is available at csc.gov.au

Rehabilitation and retraining

As part of your income protection, the Insurer may cover the cost of rehabilitation programs designed to help you return to some form of work. Services available include:

- Workplace assessments – solutions to support your return to work plan.
- Career guidance to explore alternative work options if you are unable to return to your role.
- Holistic work readiness programs (including fitness and coaching) to assist in ensuring you're confident and ready to return to the workforce once recovered.
- Improving your skills and capabilities so that your return to work is sustainable over the long term.

The rehabilitation team works in collaboration with you, your employer and any other approved rehabilitation program provider in search of the best outcome for you.

! Many studies have found that work is good medicine. Returning to work restores more than your income, it can also restore your sense of purpose. We have access to one of the largest and most experienced team of rehabilitation professionals in Australia.

Go to the 'Back with Rehab' page at csc.gov.au to learn more about Dean's Story and how PSSap supported his rehabilitation as well as his top tips.

If you've been injured or are suffering an illness, why not find out if rehabilitation could be a good fit for you.

Waiting Periods



lifePLUS auto cover

For members with lifePLUS auto cover, a default Waiting Period of 60 days will apply before income protection benefits are payable.

At any stage you can change the Waiting Period by moving to lifePLUS choice cover.

If you increase your Waiting Period within 60 days of the date of advice of your initial membership details, your new Waiting Period (and associated premiums) will apply from your cover commencement date.

The Waiting Period starts from the date a medical practitioner first examines you and certifies that you are Totally Disabled as a result of the condition you are claiming a benefit for.

You must have ceased work for a continuous period, due to that condition.



lifePLUS choice cover

Under lifePLUS choice cover, members have the choice of applying for a 30, 60, 90 or 180 day Waiting Period. Applying to reduce your existing Waiting Period will require underwriting and approval by the Insurer.

Returning to work during your Waiting Period

It can be difficult to work out if you are well enough to work. lifePLUS cover allows you the time to try returning to work without restarting your Waiting Period.

If you have a Waiting Period of 30 days, you can return to work for up to 5 days during that Waiting Period without your Waiting Period restarting.

If you have a Waiting Period of more than 30 days, you can return to work for up to 10 days during that Waiting Period without your Waiting Period restarting.

In both instances outlined above, the Waiting Period will simply be extended by the total number of days you return to work for. If you return to work for longer than for the periods outlined above, your Waiting Period will restart.

cancelling income protection cover

At any stage you can choose to opt out of or cancel income protection cover for both lifePLUS auto cover and lifePLUS choice cover. Think carefully before you do this, however, and consider the following:

- If you decide to take up income protection cover again in the future, you will need to apply (including any previously transferred cover) and undergo underwriting; and
- If you later make a claim for TPD benefits, you may be required to meet a stricter disability test to access these benefits.

Refer to the **Definitions section** of this Booklet for the TPD definitions, and details of how they apply in different scenarios.

To cancel cover, simply call us on **1300 725 171** and we can send you the form to complete or go online to csc.gov.au/Members/Advice-and-resources/Forms/

How your benefits are calculated

Under lifePLUS cover, the period over which income protection benefits will be paid will be the lesser of:

- 5 years, and
- The term of your contract (for non-ongoing contract employees).

2 year benefit

Under lifePLUS choice cover, you'll receive a monthly income stream of up to 90.4% of the lesser of your reported Base Annual Salary and your Pre-Disability Income. 75% is paid to you directly, and 15.4% will be paid into your PSSap super account. 2 year benefits are not indexed.

5 year benefit

At the end of the first 2 years of receiving your benefit, the definition in which you are assessed against will also change. Refer to the **Definitions section** of this Booklet which sets out the disability definitions that are used to determine whether a person is eligible to receive an income protection benefit.

For the first 2 years of your benefit payments (or for non-ongoing employees, until the end of your contract term if earlier), you'll receive a monthly income stream of up to 90.4% of the lesser of your reported Base Annual Salary and your Pre-Disability Income. 75% is paid to you directly, and 15.4% is paid into your PSSap super account.

For the remaining 3 years of your benefit (or, for non-ongoing contract employees, until the end of your current contract term if earlier), you'll receive a monthly income stream of up to 65.4% of the lesser of your reported Base Annual Salary and your Pre-Disability Income, with 50% being paid to you directly, and 15.4% being paid into your PSSap super account helping you continue to build for your retirement.

Members can at anytime reduce their income protection benefit period to 2 years.

After 12 continuous months of receiving your income protection benefit, your benefit amount will also be indexed each year by the lesser of CPI and 5% per annum.

How to vary your cover

You can vary your cover by:

- using the LIFEapp online application tool (where underwriting is required) available through your PSSap Member Online account (which is quick and takes around 20 mins to complete); or
- completing the **application and variation** form available in the forms section of our website csc.gov.au

15.4% Superannuation contributions

lifePLUS cover helps you in lots of ways. One of those is by helping you to continue to build for your retirement when you cannot. We do this by contributing to your PSSap account whilst you are on an income protection claim.

On confirmation of an accepted claim, along with confirmation of the amounts you will receive directly, you will be provided with details of your associated PSSap super payments as well as likely timings of this super contribution.

While the 15.4% super contribution payment is not a superannuation guarantee payment (as your employer contributions are), the amount will contribute to your concessional cap for superannuation purposes.

If you're salary sacrificing super contributions, you should bear this in mind, as exceeding the concessional contribution cap may affect your tax liability.

 You can check these amounts by logging into **PSSap member online**

Salary details

Your income protection benefits are calculated on the lesser of:

- your actual Base Annual Salary at the time of your total disability; and
- the Base Annual Salary advised to PSSap.

Where your employer has not advised us of your Base Annual Salary at the time your account is created (for a full or part time employment status), we will use a default Base Annual Salary of \$47 000.



lifePLUS auto cover

With the exception of Casual members, Base Annual Salary updates for lifePLUS auto cover members, must be supplied by your employer. Make sure your employer advises us if your Base Annual Salary changes, as this affects the benefits you're entitled to.

Casual members must advise us of their Base Annual Salary when they elect to take up the offer of lifePLUS auto cover, and will be responsible for ensuring the Base Annual Salary details we hold remains up to date.



lifePLUS choice cover

All lifePLUS choice cover members will be responsible for ensuring their Base Annual Salary is kept up to date.

It's important to make sure your details are correct, because if the amount of Base Annual Salary in our records is higher than your actual Base Annual Salary, you will be paying a higher premium for a benefit amount that you're not able to claim. If the amount of Base Annual Salary recorded by us is less than what you actually earn, then the benefit amount you are able to claim may be significantly less than expected and what's required to meet your financial obligations.

Income from other sources

If you receive a benefit for TPD, you'll continue to receive income protection benefits. However, income protection benefits will also be reduced by any amount paid, or required to be paid under:

- workers' compensation, transport accident compensation, or similar legislation in relation to your sickness or injury
- any continued income received from an employer while being paid a benefit
- income protection benefits from any other insurance arrangement; or
- any sick leave entitlements from any source.

Partial benefits

You may also receive a partial disability benefit after the Waiting Period, if you've been Totally Disabled for at least 10 out of 14 consecutive days within the Waiting Period, and meet the definition of Partial Disability following the end of the Waiting Period.

When your cover stops

Your income protection cover will stop on whichever of the following events happens first:

- you turn 67 years old
- you die
- you permanently retire from the workforce
- you stop being a member of PSSap
- 60 days after the date your full premium amounts are not paid when they fall due
- you are a non-resident of Australia and permanently leave, or are no longer eligible to work in Australia
- you cease employment with an eligible employer and do not meet the conditions to retain your cover
- we receive written notice that you want to cancel your cover;
- we terminate the group insurance policy with the Insurer (we will give you at least 30 days' notice before doing this);
- we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your cover despite your account being inactive.

Exclusions and restrictions

There are some situations where no income protection benefit will be paid because certain events are excluded from cover. This occurs where a disability is caused wholly or partly, directly or indirectly by:

- any intentional self–inflicted injury or attempted suicide or self–destruction, while sane or insane
- uncomplicated pregnancy, childbirth or miscarriage
- war or act of war (whether declared or not)
- active service in the armed forces or peacekeeping forces (whether armed or unarmed) of any country or territory or foreign or international organisation; or
- participation in a combat or fighting force of any country or territory or foreign or international organisation.

4. Death and TPD cover

Death and TPD cover can assist you to provide for the financial security of you and the people who depend on you, if you die, or are permanently prevented from working due to illness or injury.

Benefits are paid as lump sums which can help:

- provide you or your dependants with an amount to contribute to the payment of living expenses;
- repay your debts;

or

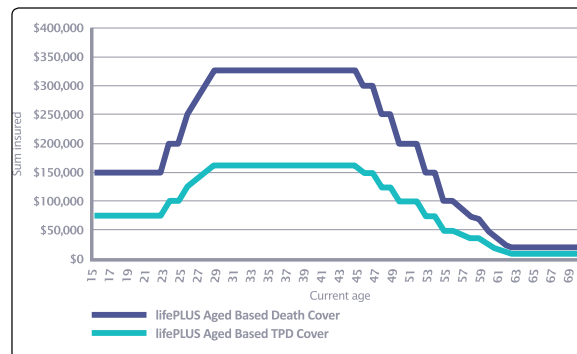
- cover the cost of changes to your house and/or car (in the case of TPD benefits).

TPD lump sum amounts can also be converted into an income stream by joining Commonwealth Superannuation Corporation retirement income (CSCri). CSCri allows you to keep some or all of your super invested, while also receiving regular income payments. For more information refer to csc.gov.au

Refer to the **Definitions section** of this Booklet for an explanation of Total and Permanent Disability. These definitions will be used to determine whether a person is eligible to receive a TPD benefit.

The amount of cover you're eligible for varies between lifePLUS auto cover and lifePLUS choice cover. lifePLUS auto cover gives you ready access to a default level of cover, subject to limits. lifePLUS choice cover gives you flexibility to adjust your cover to suit your circumstances.

Both offerings allow members who are under 55 years of age to transfer cover from other super funds or insurers into lifePLUS choice cover, subject to maximum limits and conditions.



Terminal Illness benefits

As part of your Death and TPD cover, members are eligible for a Terminal Illness benefit. The amount paid is equal to your level of Death Cover.

Age based Death and TPD cover

Age based Death and TPD cover is higher at the point where people typically face costly life events, such as starting a family or buying a home.

Death and TPD cover decreases in later years as a person's superannuation balance and financial resources typically increase, and mortgages also typically decrease.



lifePLUS auto cover

Eligible lifePLUS auto cover members will automatically receive aged-based levels of Death and TPD cover (refer to the cover scale further in this section). If you change your cover, you will automatically be converted to lifePLUS choice cover.



lifePLUS choice cover

Upon application for lifePLUS choice cover, you can choose aged-based Death and TPD cover, which follows the same scale as lifePLUS auto cover members (refer to the cover scale further in this section).

If you have a fixed level of Death and TPD cover under lifePLUS choice cover, you can also switch your Death and TPD cover back to age based cover at any time, provided that your current level of fixed Death and TPD cover is greater than or equal to the corresponding level of Death and TPD cover based on the age based cover scale. You will then receive the age based Death and TPD cover applicable to your age at the time of applying. Any TPD cover in place will also switch to the age based cover scale for TPD.

Fixed Death and TPD cover



lifePLUS auto cover

If you hold lifePLUS auto cover, you can choose to fix your cover or apply for additional fixed cover at any stage. By doing this, you will transfer to lifePLUS choice cover.



lifePLUS choice cover

You can also apply for lifePLUS choice fixed cover, though you will need to go through underwriting if applying for additional fixed cover.

From age 61, any fixed TPD amount reduces at each birthday to reach zero at age 70.



How to vary your cover

You can vary your cover by:

- using the LIFEapp online application tool (where underwriting is required) available through your PSSap Member Online account (which is quick and takes around 20 mins to complete); or
- completing the **application and variation** form available in the forms section of our website csc.gov.au

Transferring Death and TPD cover

If you hold Death and TPD cover with other superannuation funds or insurers, you may be able to consolidate your Death and TPD cover amounts, subject to conditions which include:

- you must be under 55 years old and an Australian resident;
- you can transfer a maximum of \$1 million per transfer, and \$2 million in total
- you cancel your cover with the other super fund/s or insurer/s;
- you satisfactorily complete the **Transfer of insurance** cover form which is accepted by the Insurer.

There are a number of other restrictions and eligibility conditions that apply to a transfer of cover. You can view the full list of terms and conditions and apply to make a transfer by completing the **Transfer of insurance cover** form, which is available at csc.gov.au

Current Age	lifePLUS Aged Based Death Cover	lifePLUS Aged Based TPD Cover
14	\$150 000	\$75 000
15	\$150 000	\$75 000
16	\$150 000	\$75 000
17	\$150 000	\$75 000
18	\$150 000	\$75 000
19	\$150 000	\$75 000
20	\$150 000	\$75 000
21	\$150 000	\$75 000
22	\$150 000	\$75 000
23	\$150 000	\$75 000
24	\$200 000	\$100 000

Current Age	lifePLUS Aged Based Death Cover	lifePLUS Aged Based TPD Cover
25	\$200 000	\$100 000
26	\$250 000	\$125 000
27	\$275 000	\$137 500
28	\$300 000	\$150 000
29	\$325 000	\$162 500
30	\$325,000	\$162 500
31	\$325 000	\$162 500
32	\$325 000	\$162 500
33	\$325 000	\$162 500
34	\$325 000	\$162 500
35	\$325 000	\$162 500
36	\$325 000	\$162 500
37	\$325 000	\$162 500
38	\$325 000	\$162 500
39	\$325 000	\$162 500
40	\$325 000	\$162 500
41	\$325 000	\$162 500
42	\$325 000	\$162 500
43	\$325 000	\$162 500
44	\$325 000	\$162 500
45	\$325 000	\$162 500
46	\$300 000	\$150 000
47	\$300 000	\$150 000
48	\$250 000	\$125 000
49	\$250 000	\$125 000
50	\$200 000	\$100 000
51	\$200 000	\$100 000
52	\$200 000	\$100 000
53	\$150 000	\$75 000
54	\$150 000	\$75 000
55	\$100 000	\$50 000
56	\$100 000	\$50 000
57	\$90 000	\$45 000
58	\$75 000	\$37 500
59	\$70 000	\$35 000
60	\$50 000	\$25 000
61	\$40 000	\$20 000
62	\$25 000	\$12 500
63	\$20 000	\$10 000
64	\$20 000	\$10 000
65	\$20 000	\$10 000
66	\$20 000	\$10 000
67	\$20 000	\$10 000
68	\$20 000	\$10 000
69	\$20 000	\$10 000

How 'Total and Permanent Disablement' is assessed

Determining a person's ability to ever work again is a serious matter. It can take some time for the full extent of a person's condition to become clear. For this reason, we have qualifying periods in place so we can make the fairest and most accurate assessment possible. The definitions used to determine "Total and Permanent Disablement" or "TPD" is set out in the **Definitions section** at the end of this Booklet.

Depending on your circumstances, a different definition of TPD (Part C of the TPD definition) may be used to assess whether you are eligible to receive a TPD benefit. Some definitions require a member's disability to be of a particular kind, meaning that the member will only be eligible to receive a TPD benefit in a narrower range of circumstances.

Depending on which definition of TPD is being used to assess your claim, lifePLUS cover has the below qualifying periods:

- **Part A of the TPD definition:** does not have a qualifying period.
- **Part B of the TPD definition:** generally has a 24 month qualifying period.
- **Part C of the TPD definition:** has a 6 month qualifying period.

The qualifying period starts from the Incident Date and varies, depending on which definition of TPD you are being assessed against. Refer to the **Definitions section** of this Booklet for an explanation of Incident Date and when the qualifying period commences.

If you have lifePLUS auto cover and decide to opt out of income protection, your claim will be assessed against a narrower definition of TPD if you continue to hold lifePLUS auto cover at the time of claim. This is because the opportunity to support your recovery with rehabilitation and retraining services is lost. These services are provided through income protection cover, and are generally not available through TPD cover. However, the narrower definition of TPD may not apply to your claim if you have varied your lifePLUS auto Death & TPD cover and have been accepted by the Insurer for lifePLUS choice Death & TPD cover.

There are different circumstances where you may also be subject to a narrower definition of TPD – for example, if you are 65 or over, or you have transferred TPD cover into PSSap from another super fund/insurer. Refer to the **Definitions section** of this Booklet for details of what TPD definition may apply in these different scenarios.

When your cover stops

Your Death and TPD cover will stop on whichever of the following events happens first:

- you turn 70; or
- your claim for Terminal Illness or TPD benefits is paid (unless your Death cover is higher than TPD, then the remaining Death cover will continue); or
- you die (if you had previously been paid a TPD benefit, this amount is deducted from the total Death benefit); or
- you stop being a member of PSSap; or
- 60 days from the date that your full premium amounts are not paid when they fall due; or
- you are a non-resident of Australia and permanently leave, or are no longer eligible to work in Australia; or
- you cease employment with an eligible employer and do not meet the conditions to retain your cover; or
- we receive written notice that you want to cancel your cover;
- we terminate the group insurance policy with the Insurer (we will give you 30 days' notice before doing this);
- we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your cover despite your account being inactive.

Exclusions and restrictions

No benefit will be paid for Death or TPD caused (wholly or partly, directly or indirectly):

- as a result of any intentional, self-inflicted act, while sane or insane within 13 months from the date of acceptance of any underwritten cover;
- as a result of any self-inflicted act or suicide, while sane or insane while Limited Cover applies
- active service in the armed forces or peacekeeping forces (whether armed or unarmed) of any country or territory or foreign or international organisation; or
- participation in a combat or fighting force of any country or territory or foreign or international organisation.

Cancelling Death and/or TPD cover

At any stage, you can choose to opt out of/cancel any of the following lifePLUS cover:

- Death and TPD cover; or
- TPD cover; or
- Death only cover (you cannot retain TPD only cover).

Think carefully before you do this, however, if you decide to take up Death or Death and TPD cover again in the future, you will need to apply (including any previously transferred cover) and undergo underwriting.

To cancel cover, simply call us on **1300 725 171** and we can send you the form to complete or go online to **csc.gov.au**

5. Applying for lifePLUS choice cover

lifePLUS choice cover allows flexibility to customise your insurance to your circumstances at any time. Applying is easy and can take approximately 20 minutes online via the LIFEapp tool accessible by logging into your PSSap online account.

With lifePLUS choice cover, you have the following options:

Income protection cover options

- Waiting periods: reducing the Waiting Period for income protection benefits (for example from 60 days to 30 days), or increasing the Waiting Period (for example from 60 days to 90 or 180 days).
- Benefit period: reducing the period over which income protection benefits are paid from 5 years to 2 years, or increasing it back to 5 years.
- Applying for additional income protection cover.
- Transferring cover from other superannuation funds allowing you to consolidate super accounts.

Death and TPD cover options

- Fixing your Death and TPD cover.
- Applying for additional fixed cover.
- Applying for age based cover.
- Transferring cover from other superannuation funds allowing you to consolidate super accounts.

Your ability to exercise some of these options for Death, TPD and income protection cover will be subject to eligibility conditions (as outlined earlier in this Booklet) and/or underwriting by the Insurer, and members can choose to cancel cover at any stage.

You will not be charged to be underwritten. All costs associated with obtaining medical information required for underwriting will be at the expense of the Insurer.

Underwriting may apply where you apply to reinstate cover after it has ceased. Cover will be subject to underwriting where you have opted out of cover and subsequently applies to reinstate the cover. Underwriting may result in you being declined or offered insurance on modified terms and conditions.

How to vary your cover

You can vary your cover by:

- using the LIFEapp online application tool (where underwriting is required) available through your PSSap Member Online account (which is quick and takes around 20 mins to complete); or
- completing the **application and variation** form available in the forms section of our website **csc.gov.au**

Medical examinations

In many cases, you will not be required to undertake a medical examination as part of your lifePLUS choice cover application. There may be instances when you apply, the Insurer may request additional medical tests (for instance, if you have previous medical history which requires further investigation).

Your duty of disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

If you do not tell us something

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within 3 years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

6. Other lifePLUS features

Leave without pay/partial pay

If you decide to take time off work and go on approved leave without pay (or leave with partial pay), as long as your PSSap account has enough in it to cover the monthly premiums and your insurance does not cease due to inactivity*, your cover will continue for up to 24 months.

You can also apply for an extension as long as you do so before the earlier of:

- The 24 months; or
- Your documented return to work date with your employer.

If you do not return to work on your documented return to work or fail to apply for an extension, you will be classified as though you have taken leave without approval or unauthorised leave without pay. In this instance, your cover will continue but if you suffer an injury or illness during this period, you will need to meet a tougher disability test to access your TPD benefits and/or your Pre-Disability Income will be assessed differently.

*Your insurance will cease due to inactivity if we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your insurance despite your account being inactive.

lifePLUS cover for overseas members

Overseas cover

If you travel, are posted/seconded overseas, as long as you continue to pay premiums from your PSSap super account, your lifePLUS cover will continue but no applications may be made to increase cover (including transfers of cover).

Overseas employees in Australia

lifePLUS cover is available to eligible PSSap members who are not an Australian resident but are employed by an eligible employer. Overseas employees who are PSSap members must reside in Australia and be eligible to work in Australia.

Retaining lifePLUS cover

One of the most significant benefits of lifePLUS cover is allowing you to retain access to the benefits of insurance through PSSap, even if you leave the APS or decide to take a career break.

When we confirm you have left the APS, we will automatically convert your cover from lifePLUS auto cover to lifePLUS choice cover.

After you have left the APS, it will be your responsibility to let us know if your salary changes. If you don't keep us up to date, you may be paying higher premiums for a cover that you are no longer eligible for, or receive lower benefits that don't reflect what you are actually earning.

Note that your insurance will cease if we do not receive an amount in relation to your account for a continuous period of 16 months and you have not written to us to let us know you would like to retain your insurance despite your account being inactive.

Fees and premiums

Insurance fee

All members who have insurance cover will pay an insurance fee of \$1.50 per month (\$18 per annum). This fee covers CSC's costs in providing insurance for members of PSSap. The insurance fee is charged on a pro rata basis at the end of the calendar month, and will be deducted from your account at the beginning of the following month.

Premiums

Unless you opt-out or cancel your cover, or your cover otherwise ceases (for example, due to your account becoming inactive), premiums applicable to your level of Death and TPD cover and income protection cover are deducted from your PSSap account. This process involves selling some of your units on the first business day of each calendar month (or as soon as practicable thereafter).

Income protection premiums

Income protection premiums are calculated at the end of each calendar month. The actual premium amount may vary slightly from month to month, depending on the date you joined, and how many days in each month.

The cost of your cover will be based on your age at your most recent birthday and your level of cover, according to the following formula:

$$\text{(Number of days in the month/365.25)} \times \text{(monthly benefit/100 x Premium Rate)}$$

Benefit Period	2 Years				Benefit Period	5 Years				
	Waiting Period (days)	30	60	90		180	Waiting Period (days)	30	60 default	90
Current Age					Current Age					
14	4.17	2.17	1.87	1.67	14	6.14	3.03	2.73	2.42	
15	4.17	2.17	1.87	1.67	15	6.14	3.03	2.73	2.42	
16	4.17	2.17	1.87	1.67	16	6.14	3.03	2.73	2.42	
17	4.17	2.17	1.87	1.67	17	6.14	3.03	2.73	2.42	
18	4.17	2.17	1.87	1.67	18	6.14	3.03	2.73	2.42	
19	4.17	2.17	1.87	1.67	19	6.14	3.03	2.73	2.42	
20	4.17	2.17	1.87	1.67	20	6.14	3.03	2.73	2.42	
21	4.17	2.17	1.87	1.67	21	6.14	3.03	2.73	2.42	
22	4.17	2.17	1.87	1.67	22	6.14	3.03	2.73	2.42	
23	4.17	2.17	1.87	1.67	23	6.14	3.03	2.73	2.42	
24	4.17	2.17	1.87	1.67	24	6.14	3.03	2.73	2.42	
25	4.06	2.11	1.83	1.63	25	6.00	2.95	2.66	2.37	
26	4.08	2.06	1.80	1.60	26	6.00	2.89	2.61	2.33	
27	4.10	2.06	1.80	1.60	27	6.03	2.89	2.61	2.33	
28	4.13	2.06	1.80	1.60	28	6.07	2.89	2.61	2.33	
29	4.26	2.13	1.85	1.65	29	6.28	2.99	2.69	2.38	
30	4.38	2.17	1.87	1.67	30	6.44	3.03	2.73	2.42	
31	4.58	2.27	1.97	1.73	31	6.73	3.17	2.86	2.53	
32	4.79	2.34	2.04	1.82	32	7.03	3.29	2.96	2.63	
33	5.02	2.47	2.15	1.91	33	7.40	3.47	3.13	2.78	
34	5.30	2.61	2.27	2.01	34	7.79	3.64	3.29	2.92	
35	5.66	2.79	2.41	2.15	35	8.33	3.89	3.51	3.13	
36	6.03	2.99	2.59	2.32	36	8.88	4.19	3.78	3.36	
37	6.50	3.23	2.81	2.51	37	9.56	4.53	4.08	3.63	

Benefit Period	2 Years				Benefit Period	5 Years			
Waiting Period (days)	30	60	90	180	Waiting Period (days)	30	60 default	90	180
Current Age					Current Age				
38	7.00	3.50	3.04	2.71	38	10.29	4.91	4.41	3.93
39	7.56	3.82	3.31	2.95	39	11.14	5.34	4.81	4.29
40	8.23	4.20	3.65	3.26	40	12.11	5.88	5.30	4.73
41	8.97	4.64	4.03	3.59	41	13.21	6.50	5.86	5.22
42	9.78	5.13	4.46	3.97	42	14.39	7.18	6.45	5.75
43	10.73	5.69	4.94	4.39	43	15.77	7.96	7.18	6.38
44	11.75	6.32	5.49	4.88	44	17.28	8.85	7.96	7.10
45	12.88	7.04	6.11	5.47	45	18.95	9.87	8.89	7.93
46	14.19	7.92	6.89	6.11	46	20.88	11.09	10.00	8.89
47	15.62	8.86	7.71	6.85	47	22.99	12.42	11.19	9.94
48	17.23	9.95	8.67	7.71	48	25.33	13.96	12.58	11.19
49	18.96	11.19	9.73	8.67	49	27.89	15.68	14.12	12.58
50	20.91	12.58	10.94	9.74	50	30.76	17.62	15.89	14.15
51	23.13	14.15	12.30	10.95	51	34.02	19.83	17.86	15.90
52	25.52	15.94	13.86	12.32	52	37.55	22.33	20.12	17.90
53	28.16	17.94	15.60	13.90	53	41.43	25.14	22.65	20.18
54	31.00	20.07	17.45	15.55	54	45.61	28.13	25.34	22.57
55	34.29	22.57	19.63	17.45	55	50.47	31.63	28.50	25.34
56	37.89	25.35	22.04	19.61	56	55.75	35.53	32.02	28.48
57	41.93	28.42	24.71	22.00	57	61.71	39.83	35.88	31.94
58	46.43	31.89	27.73	24.68	58	68.32	44.69	40.26	35.84
59	51.47	35.74	31.07	27.66	59	75.73	50.07	45.12	40.15
60	57.07	39.98	34.77	30.93	60	83.98	56.03	50.48	44.92
61	63.32	44.65	38.82	34.56	61	93.16	62.57	56.37	50.17
62	85.60	49.47	43.02	38.30	62	125.95	69.33	62.46	55.61
63	93.13	55.26	48.06	42.79	63	141.96	76.82	69.21	61.61
64	101.31	61.74	53.68	47.80	64	157.31	85.11	76.68	68.28
65	89.03	49.90	43.40	38.63	65	90.51	50.72	44.11	39.26
66	39.22	16.22	14.10	12.55	66	39.87	16.48	14.32	12.76

Income protection premiums examples

Jessica

Jessica is aged 36 years old.
Her lifePLUS auto cover Income Protection cover is 90.4% (75% income plus 15.4% payment to her PSSap account) of her Base Annual Salary. Her cover has a 60 day Waiting Period and is based on a 5 year benefit period.

Jessica's Base Annual Salary is \$60 000.
Her annual premium rate (payable in monthly instalments) per \$100 monthly benefit is \$4.19.
Jessica's annual sum insured is $90.4\% \times \$60\,000 = \mathbf{\$54\,240}$.

Premiums

Jessica's premiums vary slightly month to month, according to how many days are in each month. For the month of June (30 days), the monthly premium Jessica pays (based on her current age) for her income protection is:
 $(30/365.25) \times (4,520/100 \times 4.19)$
= \$15.56 per month

Matt's reported salary is \$90,000 and his annual rate (payable in monthly instalments) per \$100 monthly benefit is \$15.68. Matt's annual sum insured is $90.4\% \times \$90,000 = \$81,360$

Matt

Coverage

Based on the above factors, Jessica is insured for up to:
 $\$54\,240 / 12 \text{ months}$
= \$4 520 per month.

Premiums

Matt's premiums vary slightly month to month, according to how many days are in each month. For the month of June (30 days), the monthly premium Matt pays (based on his current age) for his income protection is:
 $(30/365.25) \times (6,780/100 \times 15.68)$
= \$87.32 per month

Coverage

Based on these factors, Matt is insured for up to:
 $\$81,360 / 12 \text{ months}$
= \$6,780 per month

Death and TPD premiums

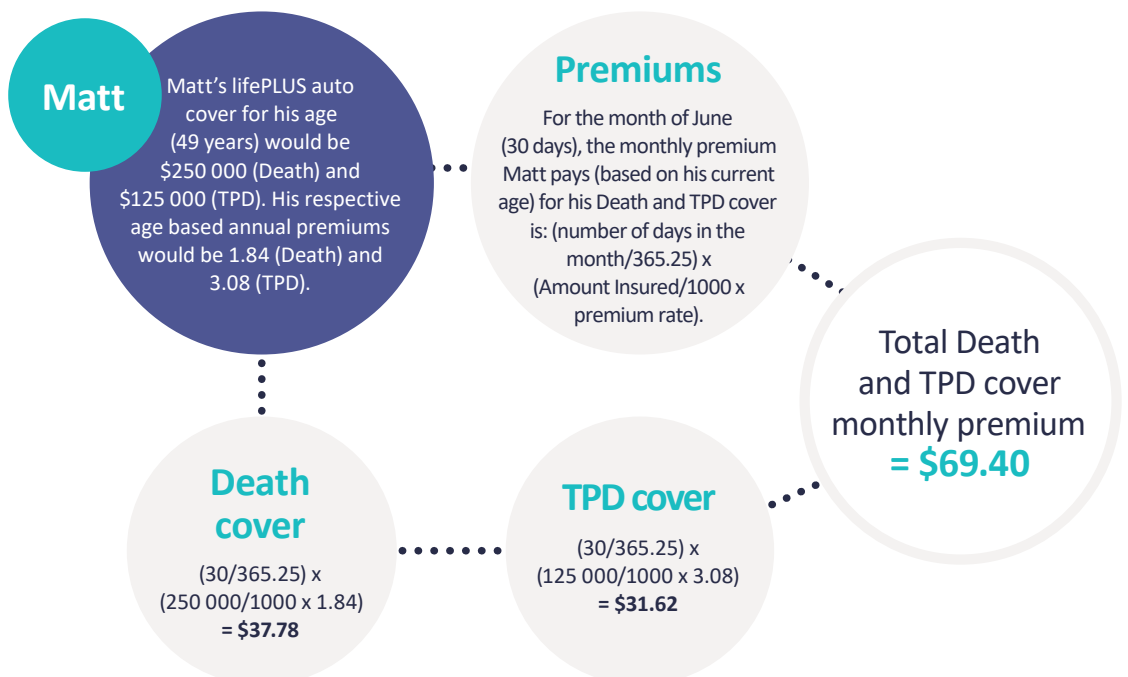
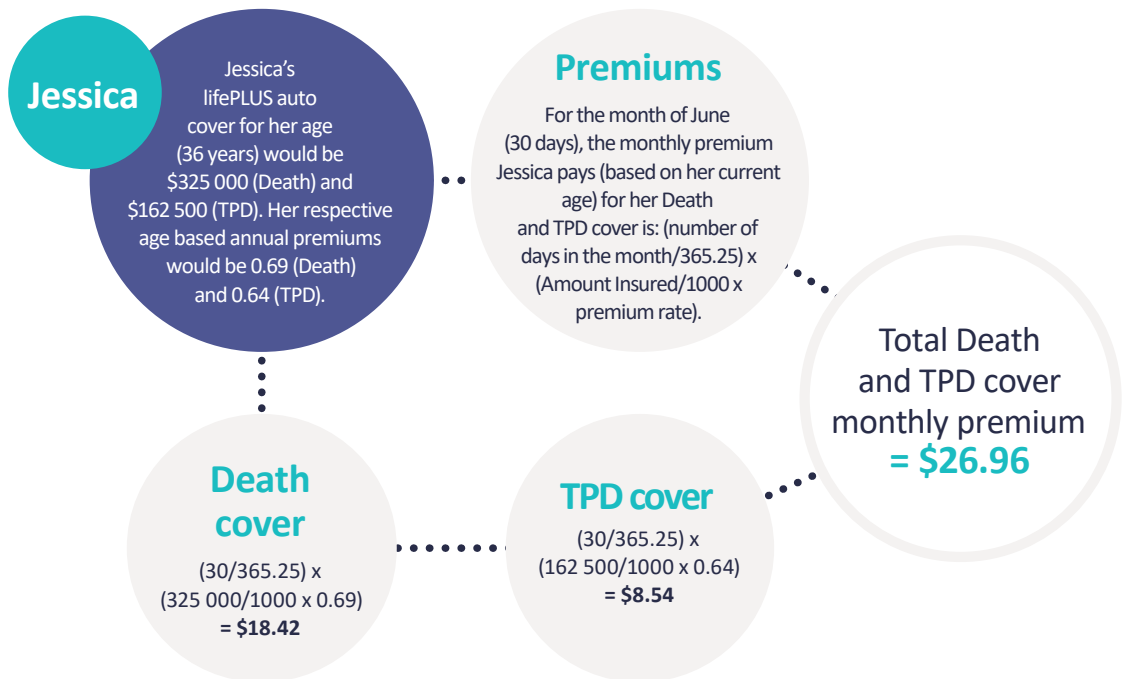
The cost of your cover will be based on your level of cover and current age, as outlined below.

For Death and TPD, premiums are expressed as annual rates per \$1 000 of Amount Insured:

$$\text{(Number of days in the month/365.25)} \\ \times \text{(Amount Insured/1000 x premium rate).}$$

Current Age	Death	TPD
14	0.71	0.07
15	0.71	0.07
16	0.74	0.04
17	0.74	0.04
18	0.76	0.01
19	0.74	0.04
20	0.74	0.04
21	0.73	0.05
22	0.73	0.05
23	0.69	0.12
24	0.67	0.13
25	0.66	0.15
26	0.62	0.20
27	0.61	0.21
28	0.61	0.21
29	0.61	0.29
30	0.60	0.32
31	0.60	0.35
32	0.60	0.41
33	0.61	0.48
34	0.64	0.52
35	0.66	0.56
36	0.69	0.64
37	0.73	0.71
38	0.78	0.81
39	0.83	0.89
40	0.89	0.97
41	0.97	1.08
42	1.02	1.22
43	1.11	1.41
44	1.23	1.57
45	1.33	1.80
46	1.45	2.07
47	1.58	2.40
48	1.70	2.73
49	1.84	3.08
50	1.99	3.50
51	2.14	3.97
52	2.32	4.50
53	2.47	5.04
54	2.65	5.66
55	2.85	6.32
56	3.06	7.06
57	3.26	7.92
58	3.57	8.52

Current Age	Death	TPD
59	3.89	9.17
60	4.24	9.89
61	4.65	10.62
62	5.04	11.48
63	5.48	12.62
64	6.84	12.79
65	10.77	8.93
66	10.87	11.08
67	11.28	13.03
68	11.48	15.49
69	11.82	18.02



8. How to make a claim

Do not wait to start the claims process. The sooner we know about your injury or sickness, the sooner we can attend to your claim. Even if you have an existing employment process underway or are on leave please let us know.

Completing claim related forms can be a difficult task especially at a time when you are suffering an injury or sickness, but we're here to help.

To help support you through the process, on notification of your claim, you will be provided with a dedicated case manager who will be responsible for supporting you through your claim (including helping you complete the claim requirements and answering any questions you may have on the process or status of your claim).

We are here for you

Your dedicated case manager will also monitor your claim on your behalf and liaise with the insurer to ensure you receive the right outcome for your situation. The beauty of this is that it is all provided as part of your PSSap membership so any benefit you receive is entirely yours.

CSC's obligation to our members and claims

CSC, as Trustee of the PSSap, has an obligation to ensure our members are receiving the right outcome from their claims. CSC independently reviews all claims decisions and engages with the insurer where it believes a claim has a reasonable chance of success.

Income protection claim payments

Where the Insurer approves your income protection claim, your benefits will be paid directly to you with a payment of 15.4% being paid directly into your PSSap account while you are recovering. The Insurer will continue to support and directly monitor your progress while you are recovering. You may need to provide ongoing information as part of this process.

Terminal Illness benefits

To apply for a Terminal Illness benefit, you must suffer a Terminal Illness, which means:

- you suffer from an illness, or have incurred an injury, which two Medical Practitioners have certified, jointly or separately, and in the opinion of the Insurer, is likely to result in your death within 24 months from the date of the certification (the "certification period") regardless of any reasonable treatment undertaken; and
- at least one of the Medical Practitioners is a specialist practicing in an area related to the illness or injury suffered by you; and
- for each of the certificates, the certification period has not ended.

Insurance Benefits Vs Superannuation benefits

For Death, Terminal Illness and TPD claims, the insurance claim is only part of your overall benefit, as your total benefit may also include the early release of your superannuation account balance.

Where you are eligible to be paid both the insurance benefit and your superannuation account balance, we will make a combined payment to you for the insurance claim (excluding income protection) together with the superannuation account balance.

This may take two to four weeks after the insurance decision has been received as we will also need to approve your application for an early release. This may take longer for Death claims if beneficiaries are still being determined.

Your dedicated case manager will keep you updated as each decision progresses.

This diagram helps explain the process of making a claim.

1

Call us first

Call us on **1300 725 171** to speak to us first about making a claim. We can talk you through what's involved and start the claims process for you. To support you through the claims process and make it as easy as possible, you will be provided with a dedicated case manager who will personally oversee your claim and be available to support you if you have any questions or there are things you are not sure about. Your case manager will:

- Be a direct contact for you throughout the claims process.
- Monitor and liaise with the Insurer about your claim.
- Keep you regularly updated on the process of your claim. Assist when required to make sure your claim is being assessed efficiently.

2

Complete the paperwork and lodge your claim

You'll need to complete and submit the forms provided to you in the Claims Pack and return everything to us in order for your claim to be further assessed. Your dedicated case manager can help you if you have any questions or are unsure of anything.

3

CSC will coordinate your claim

Generally, CSC will be the contact between you and the Insurer. We will check your application and provide all of your documents to the Insurer. They may, at times, contact you directly to ensure your claim is assessed as quickly as possible.

4

The Insurer will assess your claim

The Insurer will use the information you provided when making its assessment.

They may also ask for more information from:

- Your doctor/s (medical reports etc).
- Your Employer (work related duties, rehabilitation etc).

And in order to assess your claim as quickly as possible, they may make an appointment for you to have a medical examination with an independent specialist/s.

5

The Insurer will make a decision about your claim

After considering all of the medical evidence and other information, the Insurer will decide whether, in its opinion, you have met their requirements to access your benefit.

The Insurer will then advise CSC as to how they have assessed your claim and whether it should be accepted, deferred or declined.

6

Trustee reviews the Insurer's decision

We have a legal obligation to act in the best interests of all fund members and this means that we need to independently review your claim to determine if we agree with decision. If not, then we will ask the Insurer to review your claim again. Your dedicated case manager will keep you informed along the way.

If CSC and the Insurer agree that your insurance claim should be declined, there are also avenues available to you to request another review. Your dedicated case manager can discuss the options available to you at that time.

7

Superannuation decision (for TPD and Terminal Illness)

Where you are making a claim for a TPD or Terminal Illness benefit, CSC will also make a decision about whether your account balance can be released under superannuation law. If your insurance claim is approved, your account balance will also include your insurance benefit.

A lot of the information provided for an insurance claim can be used to make a decision on your ability to access your superannuation, however we may seek additional information from time to time.

Privacy

We're committed to protecting your privacy. We collect your personal information for the purposes of providing superannuation services to you (this includes the management of your insurance cover), improving our products and to keep you informed. We will only share your personal information where necessary for providing superannuation services to you. This may include disclosing your personal information to our scheme administrator, our insurer AIA Australia, our service providers or government or regulatory bodies. Your personal information may be accessed overseas by our service providers. Please see our privacy policy for full details. Your personal information will not be otherwise used or required or permitted under law. A full copy of our privacy policy as well as the privacy complaint process is available at csc.gov.au/Members/Privacy-policy/

The AIA Australia Privacy Policy also sets out how your personal and sensitive information is collected, used, handled and disclosed by AIA Australia, and the purposes that your personal and sensitive information is used for (including the administering, assessing or processing your insurance or any application or claim, to send communications that may be of interest to you, the provision of products and services and other purposes set out in AIA Australia's Privacy Policy).

By becoming a member, or otherwise interacting or continuing your relationship with us, you confirm that you agree and consent to the collection, use (including holding and storage), disclosure and handling of personal and sensitive information in the manner described in our privacy policies as updated from time to time, and to the disclosure of your personal and sensitive information to third parties who may be located in Australia, South Africa, the US, Europe, Asia and other countries.

The Australian Privacy Principle 8.1 applies to disclosing personal information to overseas recipients. We are also subject to a range of other legal and regulatory obligations which may require us to impose contractual privacy controls on overseas parties handling personal information on our behalf.

If you do not provide the required personal and sensitive information, AIA Australia may not be able to provide insurance or other services to you.

For further information about how your personal and sensitive information is managed by AIA Australia, the third parties that AIA Australia may exchange your personal and sensitive information with, and how to access or correct information held by AIA Australia, please refer to the AIA Australia Privacy Policy available at aia.com.au or by calling **1800 333 613**.

Death claims

On notification of a PSSap members' passing, **Death benefit** forms will be provided.

Once all the relevant documents (for instance death certificate) have been received, if the late member held lifePLUS cover at date of death, a case manager will lodge an insurance claim and, if approved, the balance will be paid to the late member's PSSap account.

Beneficiary nomination

Nominating someone to receive your superannuation benefit can be a worthwhile thing to do to ensure the person/s you want to receive your benefits in the event of your death actually end up receiving them.

Nominating beneficiaries is an important decision only you can make and you can make a binding nomination for your superannuation benefits which is valid for 3 years. You then have to update those details (if no details have changed this is as easy as logging into your account online and letting us know there is no change). You can nominate one or more beneficiaries to receive your Superannuation benefit but there are some conditions on who you can nominate as well as different tax implications on the distribution of benefits if you intend to nominate your legal personal representative.

You can access more information on nominating beneficiaries from the **Beneficiary nomination** factsheet available at csc.gov.au

Tax and your insurance benefits

When you receive insurance benefits, there may be tax implications which you need to be aware of. In these instances financial advice can assist.

Income protection

Where your claim for an income protection benefit is accepted, any amounts paid to you are generally taxed as normal income. The insurer will withhold the relevant PAYG tax before paying the benefit to you and at the end of the financial year, you will receive a payment summary (to your nominated postal address) to submit with your tax return.

The super contribution payment of 15.4% is treated as concessional contributions for tax purposes and is taxed at 15% (the same as your employer related contributions). While these 15.4% super contribution payments are not a superannuation guarantee payment (as your employer contributions are), the amount will contribute to your concessional cap for superannuation purposes.

If you're salary sacrificing super contributions, you should bear this in mind, because exceeding the concessional contribution cap may affect your tax liability.

As part of your claim, you will complete a tax file number declaration. Your tax file number will be provided as part of the claims process to the insurer and the ATO to ensure that, if you are paid an income protection benefit, a higher rate of PAYG tax is not deducted from your monthly benefit.

Lump sum benefits (Death and TPD)

TPD payments from the insurer are generally tax free. However, if you decide to leave amounts in your superannuation, the earnings on this amount may be subject to tax.

More information about the tax free versus taxable components of your lump sum superannuation benefits (which lifePLUS cover forms part of), is available in the **Tax and your PSSap Super** information booklet.

Determining how to handle any lump sum superannuation benefit amount that works best for you or your family can be difficult, especially at a time where there may be a lot of other things happening. It is recommended that you seek financial advice to help guide you in making these decisions. Refer to the section below for further details about education and advice.

9. Where to get information and advice

Online

You can find more information and access tools and calculators online by visiting csc.gov.au/Members/Insurance-and-cover/pssap

Seminars

To help members make informed decisions about their super (including insurance), we conduct free public and in-house seminars nationwide as well as regular live webinars. Go to csc.gov.au/Members/Advice-and-resources for dates, locations, and how to register.

Member advice options

In addition to fee for service detailed financial advice, some PSSap members also have access to free advice on some issues. CSC's authorised financial planners can provide advice to eligible PSSap members on one of the following issues per consultation: (this is known as 'simple advice')

- insurance
- contributions;
- investment choice for your PSSap account.

Call **1300 277 777** to book your free consultation.

Unfortunately, due to the complexity of the CSS and PSS defined benefit schemes, the advisers are unable to provide a simple advice service to CSS, PSS or PSSap Ancillary members. These members are able to access more detailed personal advice (which also takes into account any defined benefit entitlements) on a fee for service basis. More information is available at csc.gov.au

10. Definitions

At Work means you are:

A. engaged in your normal duties, without limitation or restriction due to sickness or injury, and is working normal hours;

and

B. not in receipt of and/or entitled to claim income support benefits due to sickness or injury from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.

You will be considered At Work if, you are on approved leave for reasons other than sickness or injury, and not taking into account the leave, you are capable of performing all the duties of your usual occupation without restriction or limitation due to sickness or injury.

If you do not meet these requirements, you are correspondingly described as being "not At Work".

Base Annual Salary means the basic wage or income earned by you. It does not include bonuses, overtime earnings, mandated superannuation contributions, additional commissions and unearned income such as investment or interest income. If you are a permanent or non-ongoing contract employee, this is the salary upon which your pay is based on when on full time sick leave.

Casual Employee means any person who is employed on a casual, temporary or ad hoc basis and satisfies at least one of the following:

- A. paid at an hourly rate, or a fixed dollar amount for each day or part day of work; or
- B. is not entitled to be paid annual leave and sick leave; or
- C. is not a permanent employee or non-ongoing contract employee.

Date of Disability means the day the Waiting Period commences.

Gainful Employment means employment or self-employment for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

Incident Date means for,

- A. Death Benefits: the date you die.
- B. Terminal Illness Benefits: the later of the dates that 2 Medical Practitioners certify in writing that you are Terminally Ill (as described in section 4. **lifePLUS Death and TPD Cover**).
- C. TPD Benefits:
 - i. in respect of Part A of the TPD definition – the date you suffer the total and irrecoverable loss of the sight of both eyes, use of 2 limbs or sight of 1 eye and use of 1 limb (where ‘limb’ is defined as the whole hand or the whole foot); or
 - ii. in respect of Part B of the TPD definition – the first day of the twenty–four (24) consecutive month qualifying period being the day immediately after you have not performed any work solely due to injury, sickness or disease; or
 - iii. in respect of Part C of the TPD definition – the first day of the 6 consecutive month qualifying period on which you are continuously, totally and permanently unable to perform at least 3 of the activities of daily work solely as a result of an injury, sickness or disease and medical certification has been provided with respect to that date.

Limited Cover means insurance cover which applies only in respect of events or conditions which arise entirely after the date cover is to commence under the policy.

Medical Practitioner means a medical practitioner legally qualified and formally registered to practise in Australia (not including you, your employer or another of their employees, a member of your immediate family, or your business partner).

Non-Ongoing Employee means any person employed on a written contract of employment for at least three (3) months and entitled to be paid annual leave and sick leave.

Permanent Employee means any person employed on a permanent basis and entitled to be paid annual leave and sick leave.

Waiting Period means the number of continuous days you are Partially Disabled or Totally Disabled, which must elapse before benefits begin to accrue. The Waiting Period commences from the date you are first examined and certified by a medical practitioner as being Totally Disabled in relation to the condition which has caused you to claim (provided you have stopped work due to that condition).

Disability definitions

Note: the disability definitions that apply in relation to Income Protection benefits are different to the definitions that apply in relation to Total and Permanent Disability benefits.

Income Protection Disability benefit definitions

Partial Disability or Partially Disabled means:

- A. You have satisfied the definition of Total Disability for at least 10 out of 14 consecutive days within your Waiting Period; and
- B. following the end of your Waiting Period, and solely due to injury or sickness, which directly caused the Total Disability, you:

For the first 2 years of the benefit period	After the expiry of the first 2 years and for the balance of the benefit period (if applicable)
A. are unable to perform one or more important duty ¹ of your occupation; and	A. are unable to perform one or more important duty ¹ of your occupation and are unable to perform one or more important duty ¹ of all other occupations for which you are reasonably suited by education, training or experience. The skills, education, training or experience you acquire through rehabilitation or re–skilling will be considered in determining any reasonably suited occupation; and
B. remain under the regular care, attendance and following the advice of a Medical Practitioner in relation to that sickness or injury; and	B. remain under the regular care, attendance and following the advice of a Medical Practitioner in relation to that sickness or injury; and
C. are capable of working (whether or not for reward); and	C. are capable of working (whether or not for reward); and
D. are earning an income from your occupation or another occupation at a monthly rate of less than your Pre–Disability Income.	D. are earning an income from your occupation or another occupation at a monthly rate of less than your Pre–Disability Income.

¹An important duty is one that involves at least 20% of the overall tasks you would have in your relevant occupation. and,

C. You have satisfied the definition of “temporary incapacity” in the *Superannuation Industry (Supervision) Regulations 1994 (Cth)*.

Pre-Disability Income has the meaning outlined in Column B of the table below in relation to the circumstance relating to you (described in Column A of the below table):

	Column A	Column B
1	A. You are a Casual Employee and employed for at least 12 months immediately prior to the Date of Disability with an employer; or B. You are a preserved benefit member; or C. You have not returned to work after a period of approved leave from employment with partial pay or without pay of up to 24 months (or such longer period of leave approved by the Insurer) and the Date of Disability occurs after that period of approved leave; or D. You have not returned to work after a period of unauthorised leave from employment, and the Date of Disability occurs more than 30 days after the commencement date of the period of unauthorised leave.	Your average monthly equivalent of Base Annual Salary earned in the 12 months immediately prior to your Date of Disability
2	You are a Casual Employee and employed by an employer for less than 12 months immediately prior to the Date of Disability.	Your average monthly equivalent of Base Annual Salary earned over your period of employment immediately prior to your Date of Disability.
3	Circumstances where the above options in this table do not apply.	Your monthly equivalent of Base Annual Salary earned immediately prior to your Date of Disability.

Where your Date of Disability is within:

- i. Your approved period of leave from employment with partial pay or without pay of up to 24 months (or such longer period of leave approved by the Insurer); or
- ii. 30 days of the commencement date of your unauthorised leave from employment, your Pre-disability income will be that which would have applied if your Date of Disability has occurred immediately prior to the commencement of the approved leave.

Total Disability or Totally Disabled means:

- A. solely due to sickness or injury, you

For the first 2 years of the benefit period	After the expiry of the first 2 years and for the balance of the benefit period (if applicable)
A. are unable to perform one or more important duty ¹ of your occupation; and B. remain under the regular care, attendance and following the advice of a Medical Practitioner in relation to that sickness or injury; and C. are not engaged in any occupation (whether or not for reward).	A. are unable to perform one or more important duty ¹ of your occupation and are unable to perform one or more important duty ¹ of all other occupations for which you are reasonably suited by education, training or experience. The skills, education, training or experience you acquire through rehabilitation or re-skilling will be considered in determining any reasonably suited occupation; and B. remain under the regular care, attendance and following the advice of a Medical Practitioner in relation to that sickness or injury; and C. are not engaged in any occupation (whether or not for reward).

¹An important duty is one that involves at least 20% of the overall tasks you would have in your relevant occupation.

and,

- B. You have satisfied the definition of “temporary incapacity” in the *Superannuation Industry (Supervision) Regulations 1994 (Cth)*.

Total and Permanent Disability (TPD) benefit definitions

The following table outlines the different member scenarios and applicable part of the TPD definition that you will need to satisfy as at the Incident Date:

	Member scenario	Total and Permanent Disability definition
1	You are aged less than 65	Either of Parts A or B of this TPD definition (unless row 2, 3 or 4 of this table applies).
2	A. you are under 65 years of age who has not returned from leave with partial pay or without pay (and the Incident Date occurs after period of approved leave); or B. You are aged 65 or over; or C. You have not returned to work after being on unauthorised leave (and the Incident Date occurs more than 30 days after commencing that unauthorised leave); or D. You have not been in Gainful Employment at any time during the 3 months prior to the Incident Date.	Either of Parts A or C of this TPD definition.
3	Any TPD cover you transferred into PSSap from another superannuation fund or insurer.	Either of Parts A or C of this TPD definition in respect of the transferred TPD cover amount.
4	You opt out of any non-underwritten lifePLUS Income Protection cover and then claim on the TPD cover amount.	Either of Parts A or C of this TPD definition notwithstanding you are aged less than 65.

Total and Permanent Disablement or TPD means:

Part A

While you are insured under the insurance policy, you have suffered the total and irrecoverable loss of the:

- A. sight of both eyes; or
- B. use of 2 limbs; or
- C. sight of 1 eye and use of 1 limb; (where 'limb' is defined as the whole hand or the whole foot), and
- D. in all cases, after consideration of all medical and other evidence as the Insurer may require, you have become incapacitated to such an extent as to render you unlikely ever to have the capacity to engage in the Gainful Employment for which you are reasonably suited by education, training or experience.

Part B

While you are insured under the insurance policy, as a result of injury, sickness or disease:

- A. you have not performed any work for an uninterrupted period of at least 24 consecutive months solely due to the same injury, sickness or disease; and
- B. you are attending a Medical Practitioner and have undergone all reasonable and usual treatment including rehabilitation for the injury, sickness or disease; and
- C. at the end of the 24 consecutive month period, solely as a result of the same injury, sickness or disease (or any injury, sickness or disease directly caused by the same injury, sickness or disease), after consideration of all medical and such other evidence as the Insurer may require, you have become incapacitated to such an extent as to render you unlikely ever to have the capacity to engage in Gainful Employment for which you are reasonably suited by education, training or experience.

Part C

While you are insured under the insurance policy, you are continuously, totally and permanently unable to perform (with aids and adaptations², if necessary) at least 3 of the activities of daily work listed below ("**Activities**") as certified by a Medical Practitioner and approved by the Insurer, for a period of 6 consecutive months solely as a result of the injury, sickness or disease, and provided such continued inability is irreversible as certified by that Medical Practitioner:

1. Mobility: the ability to:

- bend, kneel or squat to pick something up from the floor and straighten up again, and get into and out of a standard sedan car; or
- the ability to walk more than 200 metres at a normal pace on a level surface without stopping due to breathlessness as a result of a medical condition or angina,

2. Vision: the ability to see, such that an ophthalmologist can certify that your visual acuity is better than 6/60 in the better eye or a visual field of greater than 10 degrees (i.e. not legally blind),

3. Lifting: the ability to lift (from bench height) and carry a 5 kg weight a distance of 10 metres and place the item back down at bench height,

4. Communicating: the ability to:

- speak with sufficient clarity such that you can hold a conversation with another person in a quiet room in your first language. This involves understanding a simple message and relaying that message to another person; or
- hear such that an audiologist can certify that you have a hearing ability of less than or equal to 40db in the better ear (averaged over the frequencies 0.5, 1, 2 and 3 KHz) in an audiometry test.

5. Manual dexterity: the ability to use:

- at least one hand to pick up and/or manipulate small objects such as picking up a coin from desk height, using cutlery or fastening buttons; or
- a pen, pencil or keyboard to write a short note that can be understood by another person in your first language, and, solely as a result of the same injury, sickness or disease (or any injury, sickness or disease directly caused by the same injury, sickness or disease), after consideration of all medical and other evidence as the Insurer may require, you have become incapacitated to such an extent as to render you unable ever to have the capacity to engage in Gainful Employment for which you are reasonably suited by education, training or experience.

Where you are unable to perform one or more of the above Activities upon the date cover commenced, that Activity shall not be taken into consideration during the TPD assessment.

1. You are permitted to return to work during the 24 consecutive month period as part of any rehabilitation program as agreed by the Insurer, without recommencing the 24 consecutive month period, but only if the return to work is unsuccessful solely as a result of the same injury, sickness or disease (or any injury, sickness or disease directly caused by the same injury, sickness or disease).

2. Aids and adaptations refers to equipment or fixtures to assist you without the assistance of another person to carry out the Activities.



Email
members@pssap.com.au



Phone
1300 725 171



Post
PSSap
Locked Bag 9300
Wollongong NSW 2500



Fax
1300 364 144



Web
csc.gov.au



Overseas Callers
+61 2 4298 6030