

# Our insurance strategy



At CareSuper, we are committed to providing contemporary and competitive insurance solutions. We offer a range of options to meet the needs of our members while ensuring the best interests of beneficiaries.

Our insurance offering is designed to provide cost-effective default insurance cover that balances our members' insurance needs with the goal of protecting and growing their retirement balances. We provide eligible members with default death, terminal illness and total and permanent disability cover, as well as access to income protection cover.

## Our insurance principles

Our insurance strategy is underpinned by the key principles of adequacy, affordability, sustainability, simplicity, flexibility and equity.

<b>Adequacy</b>	We provide default insurance arrangements for eligible members which includes death, total and permanent disablement (TPD) cover and, in some cases, income protection. Our default cover levels are set based on the demographics of our membership, taking into consideration the industries our members work in, their occupations and their ages. Default cover provides a safety net in the event of a claim. Where default cover doesn't meet a member's needs, they have the option to tailor their cover.
<b>Affordability</b>	<p>A member's default cover should be affordable and not inappropriately erode their retirement savings. We've set default cover levels that reflect the demographics of our membership and ensures the cost of default cover doesn't exceed 1% of a member's salary (average across the membership) over their lifetime. We don't provide default cover to younger members, who typically have less need for it, or to those with low account balances, as the cost of cover may inappropriately erode their super savings. Members have the option to opt in or apply for cover if they need it and they can opt out of cover at any time if they don't need it.</p> <p>We aim to keep our insurance offering fair for everyone by minimising any cross-subsidisation of costs. We want to ensure that no member is disadvantaged while benefiting other members.</p>
<b>Sustainability</b>	<p>Our insurance offering is sustainable, with the costs borne by insured members only.</p> <p>We use a risk-based approach to make insurance policy decisions that keep premiums competitive and ensure our terms and conditions are fair, with regular pricing reviews. We've developed and maintain a strong relationship with our insurer so that we can deliver the best outcomes for our members.</p>
<b>Simplicity</b>	Insurance can be confusing, so we strive to keep things as simple as possible. Our communications are clear and easy for our members to understand. Whenever there is a change to a member's cover, we make sure to inform them. We provide members with default or tailored cover options and the cost of cover for a member is the same regardless of whether they hold default or tailored cover.
<b>Flexibility</b>	<p>We understand that our members have different insurance needs. They can opt in or out of cover, or tailor it to meet their individual needs. Members can apply for death, TPD or income protection cover, or any combination that suits them. Members can easily manage their cover online, by phone, or in writing.</p> <p>If they hold cover with another fund, they may be able to transfer it to CareSuper. Additionally, when experiencing major life changes, such as getting married or having a child, they can apply to increase their cover without requiring detailed health evidence.</p>
<b>Equity</b>	We seek to ensure members receive value for their insurance and access to benefits when they need them most. Our costs are based on type of cover, membership category, age, occupation, and sometimes gender. Additionally, we our members access to default cover without requiring evidence of health.

## Designing our insurance offering

CareSuper's commitment to balancing members' insurance needs while protecting and growing their retirement balances is key in the design of our insurance arrangements.

In determining our default insurance offering, we've taken our key principles of adequacy, affordability, sustainability, simplicity, flexibility and equity into account, along with the following:

- current super and insurance legislation, regulations and prudential standards, market factors and industry trends
- current and predicted economic climate
- how our current and projected future members are placed in terms of employment (industries, workplaces, occupations) and personal circumstances (age, gender)
- adequacy of insurance for members both inside and outside of super
- experience for our members when making a claim
- offering sufficient levels of default cover should something happen, considering the needs of our younger members, middle aged and those nearing retirement
- making sure that default cover is affordable and doesn't inappropriately erode members' retirement savings
- ability for members to tailor their cover to meet their individual needs

## Our claims philosophy and management approach

CareSuper's claims philosophy is to treat members and beneficiaries in a proactive, efficient, knowledgeable and compassionate manner, working with our insurer to ensure outcomes align with the best interests of our members and beneficiaries.

We have a duty to our members to evaluate every claim based on the terms and conditions of the respective policy, information provided and disclosed at the time of cover commencing and at claim time. We aim to provide a service that's fair, ethical and transparent to all.

We understand that making a claim can be extremely stressful at a vulnerable time and we try to make this as easy as possible. We work closely with our insurer to keep all parties up-to-date on the progress of a claim. And we provide practical solutions, recognising individual situations and aiming to resolve claims as quickly as possible.

Our current insurer, MetLife, provides an easy, fast and caring approach for our members when making an insurance claim. Our relationship with MetLife is managed and monitored to deliver the best outcomes for our members.

Our *Insurance strategy* and philosophy is supported through our in-house administration – we don't outsource members' insurance claims or applications to a third-party administrator. Instead, we work closely with our members and our insurer to prioritise the best interests of our membership.

### Here to help

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