

MEDIA RELEASE 29 May 2023

AustralianSuper reduces insurance costs

Over 97% of AustralianSuper members who have insurance through their account will see an average decrease of 11.8% in insurance costs from 27 May. This follows the Fund's annual review of insurance pricing.

This is the second consecutive year of decreases in insurance costs for members.

Rose Kerlin, AustralianSuper's Chief Member Officer, said it was a fantastic result as for many members getting insurance through superannuation is a cost effective option.

'For many members, insurance through AustralianSuper is better value than buying directly from an insurer.

'It's also easier for people to pay for insurance through their super rather than their take home pay. AustralianSuper is meeting its aim of keeping default insurance costs to less than 1% of members' average salary over their lifetime to retirement.'

AustralianSuper is a profit-for-member fund and provides insurance to members at what it costs the Fund to provide these benefits. The Fund makes no profit from providing insurance.

'Insurance is an important part of members' financial safety net and AustralianSuper works with insurer TAL to offer value for money cover coupled with strong support for members who claim,' Ms Kerlin said.

AustralianSuper reviews its insurance offer every year. This review includes the products on offer, what they cost, the claims made and paid during the previous year and economic conditions.

The claims acceptance rate for insurance through AustralianSuper was 97% for the 2022 financial year with over \$427 million paid to members and their families.

Over the past 10 years to December 2022, the Fund paid over \$4 billion across 62,600 insurance claims to help members and their families.

Our insurer TAL has among the highest claims admittance rates, the quickest approval times and the lowest dispute rates in the Industry.¹

Media Enquiries:

Stephen McMahon
Senior Manager Media Relations
Mobile: 0407 507 415
smcmahon@australiansuper.com

¹ From 1 January 2022 to 31 December 2022 MoneySmart website. <https://moneysmart.gov.au/how-life-insurance-works/life-insurance-claims-comparison-tool>

About AustralianSuper

AustralianSuper manages almost A\$290 billion in members' retirement savings on behalf of more than 3.1 million members from more than 448,000 businesses (as at 31 March 2023).

This media release may include general financial advice which doesn't take into account your personal objectives, financial situation or needs. Before making a decision consider if the information is right for you and read the relevant Product Disclosure Statement, available at australiansuper.com/pds. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at australiansuper.com/tmd. AustralianSuper Pty Ltd ABN 94 006 457 987, AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898.

AustralianSuper insurance key facts

- Over 1.3 million members have insurance through AustralianSuper.
- AustralianSuper members with default insurance are covered for Death, TPD and Income Protection. Terms and conditions and waiting periods apply.
- Grief Support Service is offered to the immediate family members of an insured member who has passed away or an insured member who has been diagnosed with a terminal illness and their immediate family members. The service can be referred by their case manager. Eligible members and their families have access to three, one hour grief support sessions with a leading mental health organisation. This is free for members and/or their family.

Types of insurance cover AustralianSuper members have as at 31 December 2022

	Death	TPD	IP	Total
Insured members	1,315,879	1,253,909	1,107,973	1,350,767
Insured members total (%)	43.04%	41.02%	36.24%	44.18%

Types of insurance claims in the 2022 financial year

- \$427 million paid to members and their families in the 2022 financial year.

Insurance type	Number of claims	Paid: (\$)
Death	1,168	\$131 million
TPD	1,888	\$177 million
IP	5,457	\$119 million
TOTAL	8,513	\$427 Million

Cost of default cover and \$ decrease per week – Blue Collar Work rating

Age Attained	Default Sum Insured (\$)			Weekly cost (\$) - Blue collar work rating from 27 May 2023				Change (\$ per week)
	Death	TPD	IP (a month)	Death	TPD	IP	Total	
25	116,000	48,000	1,900	0.94	0.33	0.48	1.75	-0.29
35	180,000	53,000	3,000	2.14	0.87	1.98	4.99	-0.78
45	124,000	29,000	3,100	2.84	1.37	4.12	8.33	-1.25
55	37,000	9,000	2,800	2.13	1.30	7.31	10.72	-1.60
65	9,000	NA	2,400	1.36	N/A	11.86	13.22	-1.96