

Closing the insurance gap

Will your insurance stretch to cover the needs in your life? Most Australians fall way short – as you'll read here.

Over 95% of Australian families don't have enough insurance, meaning we are underinsured by a collective \$1.37 trillion.¹



But just take a moment to think about what would happen if you were out of action. How would your family pay the bills, put food on the table and keep up with the mortgage?

It doesn't bear thinking about. Accidents and illnesses can have a devastating effect on your finances, as well as your health.

Insurance can protect you and your family from the financial effects of illness, injury and death. And most importantly, it can help you sleep at night.

How much do you need?

It could be less than you think.

A 30-year-old man earning an average annual salary of \$65,910 would pay around \$2 a day to insure his income.² That's about half the cost of a cup of coffee.

It's likely you'll have some insurance cover within super, but is it enough? It's worth checking your super plan to see how much insurance you have.

An experienced financial planner can help you work out how much extra cover you need to fully protect yourself and your family.



- **Trauma insurance** pays a lump sum if you're diagnosed with a medical condition such as a heart attack, cancer or stroke.
- **Total and permanent disability insurance** pays a lump sum if you can't go back to work for good.
- **Life insurance** pays a lump sum if you were to die.
- **Income protection**—also known as salary continuance insurance—pays up to 75% of your regular monthly income if you can't work due to sickness or injury.

Super or not?

You can either increase your cover inside super or take out a separate plan outside super.

Insurance in super can help with cash flow and save on tax. But insurance outside super can help you access disability benefits more easily. You can mix and match for the best of both worlds.

If you have any questions or would like to discuss your individual circumstances, please contact us today on 1300 982 499.

1. Rice Warner Actuaries, quoted in [The Lifewise/NATSEM Underinsurance Report – Understanding the social and economic cost of insurance](#), Feb 2010.

2. Premium calculated using AMP Elevate Online Desktop, Income Insurance Plan, stepped premium, male office worker, non-smoker, age 30 years, benefit period to age 65, 30 day waiting period. Premiums are not guaranteed and may vary in the future.

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