

TRAUMA COVER



What is Trauma Cover?

Trauma Cover is an insurance that pays you a lump sum amount if you or a key person suffers from a defined serious illness or condition.

Why do you need Trauma Cover?




On-going improvements and advancements in modern medicine mean you have a greater chance of surviving a serious illness or condition but the financial impact it can have on your business can be significant. Having Trauma Cover in place can help minimise the financial impact.

How does it work?

A lump sum amount is payable if you or a key person in your business suffers from one of the defined conditions. Some examples of how this money can help are:

- › a cash injection to help your business continue operating
- › clearing business debt or loans
- › recruitment costs to find a replacement person
- › succession planning
- › executing a buy/sell agreement.

Trauma Cover overview

Entry criteria:		Minimum entry age 20 Maximum entry age 65
Cover amount:		Maximum cover amount \$2,000,000
Cover term:		To age 70

Accelerated

Trauma Cover is 'accelerated' against Life Cover. This means that in the event of a claim for Trauma Cover, the amount paid will be deducted from the balance of the Life Cover sum insured.

What conditions are covered?

Trauma Cover provides you with comprehensive cover for a number of serious illnesses and conditions as outlined in the table below. To be eligible for a claim, you need to be suffering from the illness for the first time and meet the relevant criteria of the specific condition. The full criteria can be found in the policy wordings.

A full or partial payment may be payable, depending on the condition.

Covered conditions - full payment			Covered conditions - partial payment
	End Stage Chronic Lung Disease ⁺	Muscular dystrophy ⁺	
Alzheimer's disease ⁺	Heart attack [*]	Open heart surgery	Adult insulin dependent diabetes mellitus
Aortic surgery	Heart valve replacement	Organ transplant	Angioplasty [*]
Aplastic anaemia	HIV - medically acquired	Out of hospital cardiac arrest	Burns of limited extent
Benign brain tumour or spinal cord tumour	HIV - occupationally acquired	Paraplegia, quadriplegia, diplegia, tetraplegia and hemiplegia	Carcinoma in situ [*]
Blindness ⁺	Intensive care treatment	Parkinson's disease ⁺	Chronic lymphocytic leukaemia [*]
Cancer [*]	Loss of hearing ⁺	Peripheral neuropathy	Colostomy and/or ileostomy
Cardiomyopathy ⁺	Loss of independent existence	Pneumonectomy	Early stage malignant melanoma [*]
Chronic kidney (renal) failure ⁺	Loss of limb and sight	Primary pulmonary hypertension	Heart valve replacement [*]
Chronic liver failure ⁺	Loss of limbs	Severe diabetes	Loss of limb
Cognitive impairment	Loss of speech ⁺	Severe inflammatory bowel disease	Low grade prostate cancer [*]
Coma	Major burns	Stroke [*]	Severe osteoporosis
Coronary artery surgery [*]	Major head trauma	Systemic sclerosis	Severe rheumatoid arthritis
Creutzfeldt-Jakob disease	Meningitis and/or meningococcal disease	Triple vessel angioplasty [*]	Systemic lupus erythematosus (SLE) with lupus nephritis
Dementia ⁺	Motor neurone disease		
Encephalitis	Multiple sclerosis ⁺		
			Optional condition
			Total and permanent disablement

* No cover is provided for the 90 days immediately following the receipt of the application form by Cigna.

+ Upon meeting the diagnosis criteria of 1 of these conditions a diagnosis payment may be made.

What's not covered?

- › Intentional self-inflicted harm including attempted suicide
- › Participating in a criminal activity
- › If you or a key person dies within 14 days of the first occurrence of any of the covered conditions, a Trauma Cover claim will not be payable.

Benefit review

You must provide us with regular information at least every three years that confirms if the sum insured is still applicable for your business.

Benefit details

Trauma Cover provides several benefits that are built-in to the cover as well as some options you can choose to add at an additional cost, so it's easy to tailor your Trauma Cover to suit your needs and budget.

Open out for more details on the benefits

Premium details

Minimum premium:



\$20 per month (incl. policy fee)

Payment frequency:



Weekly, fortnightly, monthly, half-yearly, annually

Payment method:



Direct debit, credit/debit card

Premium review structure

Under Trauma Cover, you will have a one year premium review period. This means your premiums will adjust each year on your policy anniversary in line with your increasing age and underlying premium rate changes that have occurred since your last policy anniversary date.

Some facts to think about



1 in 20 adults have been diagnosed with coronary heart disease.

(www.heartfoundation.org.nz, 2017)



It's estimated that **1 in 3** New Zealanders who get cancer are cured.

(NZ Ministry of Health, cancer programme, 2018)



There are an estimated 60,000 stroke survivors in New Zealand; many are disabled and in need of significant daily support.

(stroke.org.nz: 2018)

If you're still not sure, ask yourself.

If I or a key person was diagnosed with a serious illness or condition, would it have a financial impact on the business?

If 'yes', then now is a good time to talk to your financial adviser.

Built-in benefits

Trauma Cover provides the following benefits that are built-in:

Benefit	What is it?	How it works	Why it's important
Full Trauma Benefit	Payment of the full Trauma Cover sum insured if you meet all the criteria for a covered condition.	If you meet all the criteria for a condition we cover, the full Trauma Cover sum insured may be payable.	Provides support to minimise the financial impact on the business if you suffer from one of the defined conditions.
Diagnosis Benefit	An early partial payment of 25% of the Trauma Cover (up to \$75,000) upon diagnosis of specific conditions.	The Trauma Cover remaining on the policy will be reduced by any amount paid under this benefit. The balance of the payment (up to the full amount of cover) will be made when the full criteria of the relevant covered condition has been met. There is no limit to the number of diagnosis benefits that can be paid, to a maximum of the full amount of the Trauma Cover benefit.	Being diagnosed with some conditions, like Parkinson's for example, doesn't have an immediate impact on your health; however, receiving a diagnosis like this can be life changing. This benefit allows you to start planning for your business future following a diagnosis.
Partial Benefit	A partial payment of 25% of the Trauma Cover (up to \$75,000) if you meet the relevant criteria for specific conditions.	The Trauma Cover remaining on the policy will be reduced by any amount paid under this benefit.	Provides cover for less severe conditions which may not qualify for a full payment.
Return to Home Benefit	Cover for transport costs of up to \$10,000 to get back to New Zealand if you suffer one of the covered conditions overseas.	If you have been residing outside of New Zealand for more than three consecutive months when you suffer from one of the covered conditions, this benefit provides a reimbursement of the cost of returning to New Zealand, up to \$10,000.	Peace of mind knowing that if you become seriously ill while overseas you can get home immediately.
Support Person Accommodation Grant and Transfer Benefit	Reimbursement of costs incurred when a support person is required to accompany you outside your residential region for treatment that is necessary but not available locally.	An appropriate medical practitioner must confirm a support person is required. The accommodation cost may be payable up to a total of 10 nights, with a maximum of \$200 per night. Reimbursement for support person transport costs may be payable provided that those costs are the usual, reasonable and customary costs for public transport directly to and from the treatment destination.	You don't have to worry about the additional costs of having your loved one with you if treatment is unavailable locally.
Financial and Legal Advice Benefit	An additional payment of up to \$2,500 for reimbursement of financial planning or legal advice fees.	The benefit is paid as a reimbursement for fees for financial planning or legal advice obtained for the use and protection of the Trauma Cover.	Allows for consultation of a financial planner or legal professional if you require financial or legal advice in regards to how to invest the benefit paid.

Optional benefits

Optional benefits that you can choose to add for an additional premium:

Optional benefit	What is it?	How it works	Why it's important
<p>Optional Guaranteed Insurability</p>	<p>Allows you to increase your cover if you or a key person's financial interests in the business, proportion of ownership or value of the business increases. You will not have to provide any further evidence of your health.</p>	<p>You can increase your Trauma Cover without providing any further evidence of your health in the following circumstances:</p> <ul style="list-style-type: none"> ▶ your proportion of ownership of the business increases; or ▶ your loan guarantees to the business increase; or ▶ the value of your business increases; or ▶ you or a key person's value to the business increases (other than through increased ownership) e.g. promotion to a more important role or the establishment of significant customer relationships etc. <p>The maximum amount that the sum insured can be increased by is the Guaranteed Insurability multiple shown on your policy schedule (2, 3, 4 or 5) multiplied by the original sum insured or \$2 million (whichever is the lesser).</p> <p>You must apply for Optional Guaranteed Insurability within 90 days of the applicable business event occurring.</p> <p>This option expires on your or a key person's 65th birthday.</p>	<p>Allows you to keep your insurance up to date if there is an increase in the value of the business or financial interests without providing any further evidence of your health.</p>
<p>Optional Life Cover Buy-Back</p>	<p>You can 'buy back' your Life Cover (that has been reduced) if you've made a claim on your accelerated Trauma Cover.</p>	<p>The Optional Life Cover Buy-Back allows for the 'buy back' of the Life Cover that has been reduced as a result of a claim payment for the full accelerated Trauma Cover sum insured, without any medical underwriting.</p> <p>This option must be exercised within 60 days of the expiry of 12 months from the date the accelerated Trauma Cover claim was paid.</p> <p>If a claim has been paid for any of the following covered conditions the relevant wait period is 6 months from the date the accelerated Trauma Cover claim was paid:</p> <p>Alzheimer's Disease, Blindness, Combined Loss of Limb and Sight, Dementia, Loss of Limbs, Multiple Sclerosis, Parkinson's Disease, Paraplegia, Quadriplegia, Diplegia, Tetraplegia and Hemiplegia.</p>	<p>Allows you to regain the level of your Life Cover after a Trauma Cover claim has been paid.</p>
<p>Optional Total and Permanent Disability</p>	<p>If you suffer a major illness or injury and after three months it's clear that you're unlikely to ever be able to work again, you will receive a full Trauma Cover payment, even if the cause is not a covered condition.</p>	<p>Total and Permanent Disability can be added as an additional condition under which the Trauma Cover may be paid.</p> <p>This Benefit expires on your 65th Birthday.</p>	<p>Helps to compensate for lost business revenue as a result of your illness.</p>

Talk to your financial adviser

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Important information

This brochure is for information purposes and is a summary only. Please refer to the policy wordings for our full requirements and eligibility criteria. The content is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised financial adviser service under the Financial Advisers Act 2008. It is recommended you seek advice from a financial adviser which takes into account your individual circumstances before you acquire a financial product. This brochure is based on information current as at May 2020 and is subject to change.

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