

Insurance changes notification



GESB Super and West State Super June 2021

Insurance changes from 19 June 2021 for GESB Super and West State Super members

If you are a GESB Super or West State Super member, you may have one or more of Death, Total and Permanent Disablement (TPD) and Salary Continuance Insurance (SCI) cover provided through your superannuation (super). The premiums for any insurance you have through your super are deducted directly from your GESB Super or West State Super account.

For GESB Super and West State Super members, there will be changes to the premiums as described below, and other policy terms and conditions for the Death, TPD and SCI insurance from 19 June 2021.

It's important you read and consider the information in this notification. It will help you to make informed decisions about your insurance in your super, including any changes you may wish to make to ensure it still meets your needs. Even if you do not currently have insurance through GESB Super or West State Super, you should be aware of these changes in case you decide to take out insurance through us in the future, if you are eligible.

Where can I find my current insurance details?

Your current insurance details are included in the '**Insurance**' tab of our Member Online portal, which you can access at gesb.wa.gov.au.

You can also find your insurance details in the 'Insurance' section of your last member statement.

Alternatively, you can call your Member Services Centre on 13 43 72.

It is important to review your insurance on a regular basis to ensure it remains appropriate for your situation. You can decrease or cancel¹ your Death, TPD or SCI insurance cover in the '**Insurance**' section of your Member Online account at any time, and in certain circumstances you can increase your cover.

Death & TPD and SCI changes

Change to the default occupation category for Vocational or Polytechnic Teachers (ANZSCO/ASCO code 2422)

Prior to 10 May 2021, members who had default insurance created where their employer indicated the member was employed as a Vocational Teacher or Polytechnic Teacher (ANZSCO/ASCO code 2422)² were automatically designated as Blue Collar / Heavy Blue Collar for insurance purposes.

On and from 10 May 2021, members who have default insurance created where their employer has indicated the member is employed as a Vocational Teacher or Polytechnic Teacher will automatically be designated as Light Blue Collar.

Where GESB's records indicated an existing member's insurance was created and remains designated as Blue Collar / Heavy Blue Collar due to their employment as a Vocational Teacher or Polytechnic Teacher, GESB will automatically change their insurance occupation category to Light Blue and communicate this to the member.

Impacted members will receive a reduction in their insurance premiums from what they would have been otherwise.

Changes to when Limited Cover ends

Changes have been made to when Limited Cover ends for new members:

When Limited Cover ends prior to 19 June 2021	When Limited Cover ends from 19 June 2021
Default cover is Limited Cover for the first two (2) years and until such time as the Insured Member meets the 'At Work' criteria for at least one (1) day after the first two (2) years have transpired.	Default Cover is Limited Cover for the first (1st) year and until such time as the Insured Member meets the 'At Work' criteria for at least thirty (30) consecutive days after the first (1st) year has transpired.

¹ If you decrease, opt-out of or cancel your Death, TPD or SCI cover and wish to increase or reinstate your insurance at a later date, this will be subject to certain criteria including acceptance of your application by the Insurer. Please refer to the 'Insurance and your super – GESB Super and West State Super' brochure available at gesb.wa.gov.au/brochures for more information.

² Vocational Education teachers / Polytechnic Teachers is defined as teaching one or more subjects within a prescribed course of study at technical and further education (TAFE) institutes, polytechnics and other training institutes to tertiary students for vocation education and training purposes (this includes Adult Education Teacher, TAFE Lecturer, TAFE Teacher, Workplace Trainer and Assessor).

Changes to the 'At Work' test

Changes to the definition of 'At Work' have also been made to make it more consistent between categories of members. The definition for Category 2 members now aligns more closely to the Category 1 definition.

'At Work' definition up to 18 June 2021

(a) Category 1: means the Insured Member:

- (i) is actively performing or capable of performing (including if currently unemployed) all the duties of his or her usual occupation with the Participating Employer; and
- (ii) is not in receipt of, or entitled to claim, any income support benefits from any source including (but not limited to) workers' compensation benefits, statutory transport accident benefits and disability income benefits.

A person who does not meet these requirements is correspondingly described as "not At Work".

- (b) Category 2: means that on the day of signing the relevant form, the Insured Member:
 - (i) is engaged in their full and normal duties and is working normal hours without limitation or restriction due to sickness or injury; or
 - (ii) is capable of performing their full and normal duties on a full time basis (for at least thirty (30) hours per week) even though their actual employment may not be on a full time basis; and
 - (iii) is not in receipt of and/or entitled to claim income support benefits from any source including workers compensation benefits; statutory transport accident benefits and disability income benefits.

A person who does not meet these requirements is correspondingly described as "not At Work".

'At Work' definition from 19 June 2021

- (a) Category 1: means the Insured Member:
 - (i) is actively performing or capable of performing (including if currently unemployed) all the duties of his or her usual occupation with the Participating Employer; and
 - (ii) is not in receipt of, or entitled to claim, any income support benefits from any source including (but not limited to) workers' compensation benefits, statutory transport accident benefits and disability income benefits.

A person who does not meet these requirements is correspondingly described as "not At Work".

- (b) Category 2: means that on the day of signing the relevant form, the Insured Member:
 - (i) is actively performing or capable of performing (including if currently unemployed) all the full and normal duties of his or her usual occupation with the Participating Employer;
 - (ii) is not in receipt of, or entitled to claim, any income support benefits from any source including (but not limited to) workers' compensation benefits, statutory transport accident benefits and disability income benefits; and
 - (iii) in the Insurer's opinion is not restricted by sickness or injury from actively performing or being capable of performing (including if currently unemployed) the full and normal duties of his or her usual occupation with the Participating Employer for at least twenty (20) hours each week (even if not working at least twenty (20) hours each week).

A person who does not meet these requirements is correspondingly described as "not At Work".

New 'Active Service' definition

A definition of 'Active Service' has been added to both the Death & TPD and SCI policies:

'Active Service means, whether in Australia or overseas, participation in the armed forces of any country or organisation, war service or engagement in a theatre of war but excludes operations authorised by the Australian Commonwealth Government to provide natural disaster and humanitarian relief where these operations are not undertaken while on war service or in a theatre of war. For the avoidance of doubt, an Insured Member who is enrolled in the Australian Defence Force Reserve is only on "Active Service" where they have been called up for service, and then only if such service otherwise satisfies this definition of "Active Service".'

TPD and SCI changes

Cover extended to age 67

If you are a GESB Super or West State Super member and you turn 65 on or after 19 June 2021, your TPD and SCI cover will continue until you reach age 67. Previously TPD and SCI cover ceased at age 65. This means that premiums will continue to be payable after age 65. The premiums for any insurance you have through your super are deducted directly from your GESB Super or West State Super account.

To view the current insurance premiums effective until 18 June 2021, please refer to the 'Insurance and your super - GESB Super and West State Super' brochure available at gesb.wa.gov.au/brochures. From 19 June 2021, an updated version of this document detailing the new insurance premiums and terms and conditions applicable will be available.

Below are extracts of the premium tables. Changes to premiums are shown as red text.

SCI premium table

Annual Premium rates (from 19 June 2021) per \$1,000 monthly Amount Insured (Waiting Period 90 days*)

Current age	Male	Female
64	260.74	329.37
65	291.21	367.86
66	245.94	310.69

^{*} The default Waiting Period for SCI payments is 90 days, but you can choose four other options: 30, 60, 120 and 180 days. This will affect the premium you pay.

Death & TPD premium table

Annual premium rate per \$1,000 insured value

	Death only		TPD only		Death & TPD	
Current age	Male	Female	Male	Female	Male	Female
65	9.11	4.65	19.84	11.70	28.95	16.35
66	9.91	4.97	21.96	12.63	31.87	17.60
67*	10.77	5.29	N/A	N/A	10.77 (Death only)*	5.29 (Death only)*
68*	11.81	5.78	N/A	N/A	11.81 (Death only)*	5.78 (Death only)*
69*	12.95	6.27	N/A	N/A	12.95 (Death only)*	6.27 (Death only)*

^{*} Death only cover. TPD cover is not available to members age 67 or over.

TPD insurance changes

TPD Amount Insured

The way that the TPD Amount Insured will reduce on each birthday once you are age 60 is changing. The change will apply to fixed cover, and where cover is not fixed.

Where cover is fixed, the TPD Amount Insured will change as follows:

TPD Amount Insured for Cover that is fixed

Up to and including 18 June 2021 From 19 June 2021 From age fifteen (15) to sixty (60) (inclusive): the From age fifteen (15) to sixty (60) (inclusive): the Insured Member's TPD Amount Insured will remain the Insured Member's TPD Amount Insured will remain the same on each birthday. same on each birthday. 2. From age sixty-one (61) to Cover Expiry Age (inclusive): 2. From age sixty-one (61) to age sixty-four (64) the the Insured Member's TPD Amount Insured will reduce following Cover reductions will apply: linearly on each birthday until it is zero at the Cover a) At age sixty-one (61) the Insured Member's TPD Expiry Age. Amount Insured will be four fifths (4/5) times the TPD Amount Insured the Insured Member held on the date before turning age sixty-one (61) b) At age sixty-two (62) the Insured Member's TPD Amount Insured will be three-quarters (3/4) times the TPD Amount Insured the Insured Member held on the date before turning age sixty – two (62) c) At age sixty-three (63) the Insured Member's TPD Amount Insured will be two-thirds (2/3) times the TPD Amount Insured the Insured Member held on the date before turning age sixty-three (63) d) At age sixty-four (64) the Insured Member's TPD Amount Insured will be one-half (1/2) times the TPD Amount Insured held on the date before turning age sixty-four (64). For each of (a) to (d) above, where the result would be an amount not a multiple of \$10,000, then the TPD Insured Amount will be the result of the calculation rounded up to the nearest multiple of \$10,000. 3. From age sixty-five (65) until attaining the Cover Expiry Age the Insured Member's TPD Amount Insured will be \$10,000. TPD Amount Insured will reduce to zero at the Cover Expiry Age.

Where cover is not fixed, the TPD Amount Insured will change as follows:

TPD Amount Insured for Cover that is not fixed

Up to and including 18 June 2021

- 1. From age fifteen (15) to forty-five (45) (inclusive): the Insured Member's TPD Amount Insured will remain the same on each birthday.
- 2. From age 46 to 60 (inclusive):
 - (a) if the Insured Member's TPD Amount Insured is greater than the default level of TPD Cover for their age according to Schedule 2, the Insured Member's TPD Amount Insured will reduce by \$10,000 on that birthday, or
 - (b) if the Insured Member's TPD Amount Insured is equal to or less than the default level of TPD cover for their age according to Schedule 2, the Insured Member's TPD Amount Insured will remain the same on that birthday
- From age sixty-one (61) to Cover Expiry Age (inclusive): the Insured Member's TPD Amount Insured will reduce linearly on each birthday until it is zero at the Cover Expiry Age.

From 19 June 2021

- From fifteen (15) to forty-five (45) (inclusive): the Insured Member's TPD Amount Insured will remain the same on each birthday.
- 2. From age forty-six (46) to sixty (60) (inclusive):
 - a) if the Insured Member's TPD Amount Insured is greater than the default level of TPD Cover for their age according to Schedule 2, the Insured Member's TPD Amount Insured will reduce by \$10,000 on that birthday; or
 - b) if the Insured Member's TPD Amount Insured is equal to or less than the default level of TPD Cover for their age according to Schedule 2, the Insured Member's TPD Amount Insured will remain the same on that birthday
- 3. From age sixty-one (61) to age sixty-four (64) the following reductions will apply:
 - a) At age sixty-one (61) the Insured Member's TPD Amount Insured will be four fifths (4/5) times the TPD Amount Insured the Insured Member held on the date before turning age sixty-one (61)
 - b) At age sixty-two (62) the Insured Member's TPD Amount Insured will be three-quarters (3/4) times the TPD Amount Insured the Insured Member held on the date before turning age sixty two (62)
 - c) At age sixty-three (63) the Insured Member's TPD Amount Insured will be two-thirds (2/3) times the TPD Amount Insured the Insured Member held on the date before turning age sixty-three (63)
 - d) At age sixty-four (64) the Insured Member's TPD Amount Insured will be one-half (1/2) times the cover held on the date before turning age sixty-four (64).

For each of (a) to (d) above, where the result would be an amount not a multiple of \$10,000, then the TPD Insured Amount will be the result of the calculation rounded up to the nearest multiple of \$10,000.

From age sixty-five (65) until attaining the cover expiry age, the Insured Member's TPD Amount Insured will be \$10,000. The TPD Amount Insured will reduce to zero at the Cover Expiry Age.

SCI changes

Offset of SCI benefit

Prior to 19 June 2021, SCI benefits are offset by any amounts received from other insurance companies without regard to the total of all the insurance benefits received compared to your pre-disability income.

From 19 June 2021, SCI will only be offset by insurance benefits from other insurance companies where the amount you would receive from all sources combined exceeds 75% of your pre-disability income where you are totally disabled, or 100% where you are partially disabled.

Income Replacement Ratio

Prior to 19 June 2021, the Income Replacement Ratio used to determine the monthly benefit changes at age 55 for all members. From 19 June 2021, the applicable Income Replacement Ratio will depend upon whether the member has reached their Relevant Age before the Date of Disability.

Income Replacement Ratios:

Income Replacement Ratio	Age Band prior to 19 June 2021	Age band from 19 June 2021
Seventy-five per cent (75%) of Pre-Disability Income to be paid directly to the Insured Member plus a Superannuation Top-Up Benefit of up to an additional seventy-five per cent (75%) of Pre-Disability Income to be paid directly into the Insured Member's superannuation account within the Plan	Under age fifty-five (55)	Insured members with a Date of Disability prior to the Relevant Age
Seventy-five per cent (75%) of Pre-Disability Income to be paid directly to the Insured Member plus a Superannuation Top-Up Benefit of up to an additional twenty-five per cent (25%) of Pre-Disability Income to be paid directly into the Insured Member's superannuation account within the Plan	Age fifty-five (55) and over	Insured Members with a Date of Disability on or after the Relevant Age

Where the Relevant Age is:

- (a) If the Insured Member was born before 1 July 1960, the Relevant Age is 55
- (b) If the Insured Member was born between 1 July 1960 and 30 June 1961, the Relevant Age is 56
- (c) If the Insured Member was born between 1 July 1961 and 30 June 1962, the Relevant Age is 57
- (d) If the Insured Member was born between 1 July 1962 and 30 June 1963, the Relevant Age is 58
- (e) If the Insured Member was born between 1 July 1963 and 30 June 1964, the Relevant Age is 59
- (f) If the Insured Member was born after 30 June 1964, the Relevant Age is 60

Removal of minimum Full-Time Equivalent test from the definitions of 'Partial Disability' and 'Total Disability'

Prior to 19 June 2021, members are assessed whether they are 'Partially Disabled' or 'Totally Disabled' under different definitions depending upon whether they are working less than the Full-Time Equivalent (FTE) in the 13 weeks immediately before their Date of Disability.

Where the Date of Disability is on or after 19 June 2021, the definitions of 'Partial Disability' and 'Total Disability' will no longer contain a 'minimum FTE' test. All members with a Date of Disability on or after 19 June 2021 will be assessed under the same definition of 'Total Disability' or 'Partial Disability', regardless of how many hours they worked prior.

Where the Date of Disability is prior to 19 June 2021, the definitions under the Policy that applied on the Date of Disability will continue to apply.

Maximum Benefit Period

As SCI cover will continue to age 67, there will also be a change the Maximum Benefit Period for SCI payments as follows:

Maximum Benefit Period prior to 19 June 2021

If an Insured Member's Waiting Period ends prior to age sixty-five (65): The lesser of:

- a) 2 years; and
- b) 6 months after attaining age 65

If the Insured Member's Waiting Period ends on or after age 65: 6 months.

For an Existing Insured Member, no benefit is payable beyond age sixty-five (65) where an Insured Member's Date of Disability is prior to the Effective Date.

Maximum Benefit Period that applies to from 19 June 2021

- a) Where the Date of Disability is on or after 19 June 2021, the Maximum Benefit Period will be:
 - (i) If the Waiting Period ends before age sixty-seven (67): The earlier of:
 - (A) Two (2) years after the end of the waiting period; and
 - (B) Six (6) months after reaching age sixty-seven (67)
 - (ii) If the Waiting Period ends on or after age sixtyseven (67): six (6) months
- b) Where the Date of Disability is before 19 June 2021:
 - (i) No benefit is payable beyond age sixty-five (65) where the Date of Disability is before 1 October 2019
 - (ii) No benefit is payable beyond the earlier of:
 - (A) Two (2) years; and
 - (B) Six (6) months after reaching age sixty-five (65);

where the Date of Disability occurs from 1 October 2019 to immediately before 19 June 2021, and the Waiting Period ended prior to reaching age sixty-five (65)

(iii) No benefit is payable beyond six (6) months after the end of the Waiting Period where the Date of Disability is occurs from 1 October 2019 to immediately before 19 June 2021, if the Date of Disability occurs before reaching age sixty-five (65) and the Waiting Period ends before reaching age sixty-five (65).



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