

# Trauma Insurance

## “It won’t happen to me…”

Maybe you’re right. Maybe bad things only happen to other people. But that doesn’t mean you want to risk being caught unprepared – and uninsured.



## Some sobering facts

- 1 in 3 men and 1 in 4 women will suffer from cancer in their lifetime. Half of those will live more than 5 years after diagnosis.<sup>1</sup>
- Australia’s hospital emergency departments dealt with more than seven million incidents in 2007/8.<sup>2</sup>
- There are nearly eight million hospital admissions in Australia each year.<sup>3</sup>

<sup>1</sup> Cancer in Australia: an overview, 2008 Australian Institute of Health and Welfare, December 2008

<sup>2</sup> Australian hospital statistics 2007–08, AIHW, Media Release, June 2009

<sup>3</sup> Australian hospital statistics 2007–08, AIHW, Media Release, June 2009

## What is Trauma or Critical Illness Insurance?

Critical illness insurance (also known as trauma insurance) provides a lump sum benefit in the event that the life insured suffers a “critical condition” as defined by the insurance provider. Critical illness cover is designed to help you financially recover from a trauma or crisis, such as a heart attack, stroke, cancer or other life threatening conditions.

## Factors to be aware of:

- You should ensure your insurance cover is adequate for your needs. Under-insurance can present a serious problem.
- Critical illness cover is generally not held within super. However this insurance type may be connected with other insurances that are held in super, which can reduce the administration and costs of implementing the insurances via separate policies.
- Workers Compensation covers only work related injuries. Further, it sets limits on the total payouts and strict criteria on claims.

Medicare and Private Health insurance do not cover all the costs. Health cover may be limited in the choice and flexibility of treatments. It often does not cover hospital and treatment expenses in full, and some conditions aren’t covered at all. Out of pocket expenses such as the cost of a carer and rehabilitation expenses aren’t covered, nor is the income lost from time off work. Similarly, Government allowances and benefits often don’t go very far in covering you against all the cost involved in a major accident or serious illness.

## How can Trauma insurance help you protect your family's future?

Trauma insurance pays you a tax free lump sum for a range of specified life-threatening illnesses or injuries.

There are no restrictions on how the payment is spent. It can be used to cover out of pocket expenses such as:

- Rehabilitation and recovery costs;
- Refitting your home or relocating to more suitable accommodation;
- Paying off outstanding debts or providing an ongoing income; or
- A professional carer, or enabling your partner or family to reduce their working hours to look after you.



## Get advice

The number and type of conditions covered by Trauma Insurance can vary, so it is important to look into this before purchasing the cover. Your adviser can help you with this as well as helping you to determine the amount of cover that will give you and your family peace of mind.

*Trauma Insurance can help remove many of your financial worries and concentrate on getting better if you became critically ill.*

To locate a Consultum Financial Adviser who can assist you with your financial planning needs, visit [www.consultum.com.au](http://www.consultum.com.au)

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### Consultum Financial Advisers

ABN 65 006 373 995  
AFS Licence No. 230323  
Level 6, 161 Collins Street  
Melbourne VIC 3000  
1800 062 134  
[www.consultum.com.au](http://www.consultum.com.au)