

Change to Total & Permanent Disablement definition

From 1 July 2019

Information for members



What are we changing?

We're making an update to the Total and Permanent Disablement (TPD) definition.

If you're a casual or contract worker, or work less than 15 hours per week, or work in high risk occupations, or are 65 years or older and working, your TPD claim will now be assessed under the **Part (a) 'Any Occupation'** definition instead of the pre 1 July 2019 Part (b) 'Activities of Daily Living' definition.

Part (c) is now referred to as Part (b) '**Domestic Activities**'.

When does this start?

This definition applies to all working members from 1 July 2019. If the date of claim and/or the event giving rise to the claim occurs prior to 1 July 2019, your claim will be assessed under the pre 1 July 2019 'Activities of Daily Living' definition.

What this means to you?

From 1 July 2019, all paid working members will now be assessed under the 'Any Occupation' TPD definition.

Useful insurance explanations

Total and Permanent Disablement

TPD insurance cover pays you a lump sum if you become totally and permanently disabled and you're unable to ever work again due to illness or injury.

Any Occupation

Any type of work that you're reasonably suited to by way of education, training or experience.

Activities of Daily Living

Any basic self-care activities including but not limited to, eating, toileting, grooming, dressing and bathing.

To learn more, read the **information** in columns one and two and the **technical information** in column three in the table on the next page.

Meet Alex*



An example to help you understand the change

Alex is 33 years old and has worked in retail part time (less than 15 hours a week) for over 12 months. If Alex were to have a serious motorbike accident which prevented him from working and he made a claim under his TPD insurance, the following illustrates how his claim would be assessed under the changed TPD cover.

If Alex's accident occurred on or from 1 July, his TPD claim will be assessed under the broader '**Any Occupation**' definition. The following would need to be met as part of his claim assessment:

- He hasn't been able to work for over six months due to the injuries he sustained.
- He has been regularly visiting his qualified medical practitioner and undergoing the recommended treatment to help with his injuries.
- He can no longer undertake any type of work that he is reasonably suited by way of education, training, experience, or reasonable retraining.

Prior to 1 July 2019, his TPD claim would have been assessed under the 'Activities of Daily Living' definition and Alex would have had to also prove he could no longer care for himself. Since the change, Alex's TPD claim will be assessed under the broader 'Any Occupation' definition – which is based on his future ability to work.

* Please note that the example and explanations in this flyer are for illustration only. Before acting on information, you should consider the *Product Disclosure Statement* and *Insurance Guide*.

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This change will apply to you from 1 July 2019 if	What this means for you	Replacement Definition - will appear in the Insurance Guide 1 July 2019
<p>You've been working for at least one day during the last 13 months before lodging a claim.</p>	<p>The 'Activities of Daily Living' TPD definition no longer applies where the event giving rise to a claim occurs from 1 July 2019.</p> <p>Instead, from this date, your TPD claim will be assessed under the TPD 'Any Occupation' definition.</p> <p>If you've worked in paid employment, during the last 13 months and after consideration of the evidence, it's determined by the insurer, you're unable to ever work again in any Occupation for which you are reasonably suited by education, training or experience, your TPD claim will be paid.</p>	<p>Part (a) Any Occupation</p> <p>You:</p> <ol style="list-style-type: none"> i. have been absent from your occupation solely through injury or illness for a period of six consecutive months, ii. have been regularly attending an appropriately qualified medical practitioner and undertaking medical treatment reasonably recommended by an appropriately qualified medical practitioner with respect to that injury or illness since ceasing work in your occupation solely through injury or illness, and iii. are incapacitated to such an extent that, in the insurer's opinion after consideration of medical and other relevant evidence, you were at the end of the initial period of six consecutive months absence from your occupation, unable to ever engage in or work in any occupation on a full-time or part-time basis, for which you're reasonably suited by education, training or experience. <p>For the purpose of this definition 'medical and other relevant evidence' includes, but is not limited to:</p> <ul style="list-style-type: none"> • the prospect of improvement in your capacity after treatment and rehabilitation that could reasonably be expected to be undertaken by you; and • whether reasonable retraining or reskilling would render you able to engage in or work in any occupation on a full-time or part-time basis.
<p>You haven't been working during the last 13 months before lodging a claim.</p>	<p>If you haven't worked in paid employment, during the last 13 months and after consideration of the evidence, it's determined by the insurer, you're unable to perform 'Normal Physical Domestic Activities' and unlikely to return to paid work that you're reasonably qualified to do, your TPD claim will be paid.</p>	<p>Part (b) Domestic Activities</p> <p>You've been incapacitated from performing any 'Normal Physical Domestic Activities' solely through injury or illness for a period of six consecutive months and at the end of the six month period, in the insurer's opinion, after consideration of medical and other relevant evidence, you're incapacitated to the extent that you're:</p> <ul style="list-style-type: none"> – completely unable to perform any 'Normal Physical Domestic Activities', and – unlikely to ever engage in or work for reward in any Occupation for which you are reasonably suited by education, training or experience <p>Normal Physical Domestic Activities means:</p> <ol style="list-style-type: none"> a. cleaning the family home b. shopping for food or household items c. meal preparation and laundry services d. looking after dependent children under the age of 16 years or in full time secondary education, where applicable, and e. leaving the house without the assistance of another person.

To find out more about your TPD insurance, please read the *Product Disclosure Statement* and *Insurance Guide* from 1 July 2019, online at mlc.com.au. These changes apply to existing insurance, new insurance, increases to insurance and insurance transfers, unless otherwise stated.

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