



# MEDIBANK INCOME PROTECTION

## Combined Product Disclosure Statement and Financial Services Guide

### INCOME PROTECTION

Issue date: 23 December 2015

Issue number: 5

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# Addendum to your Product Disclosure Statement

## Medibank Income Protection Insurance

Date of Addendum - 1 May 2017

This addendum is made to the following Medibank Income Protection Insurance Product Disclosure Statement (PDS):

**Issue Date – 23 December 2015**

**Issue number 5**

Your PDS provides, on page 3, that your PDS may be updated and changed and that updates that are not materially adverse to you will be available on the Medibank Income Protection website.

## Updating Information about the parties

Your PDS omitted certain information about the parties that should have appeared on page 2 of the PDS. Most of this information is provided elsewhere in the PDS, on letters or other documents we have provided to you.

Your PDS is amended to provide the following information on page 2.

### Who is the insurer of Medibank Income Protection?

Medibank Income Protection is issued by Swiss Re Life & Health Australia Limited, (Swiss Re) ABN 74 000 218 306; Australian Financial Services Licence No. 324908, Level 36, Tower Two, International Towers Sydney, 200 Barangaroo Avenue, Sydney, NSW 2000.

### What is Medibank's role in relation to Medibank Income Protection?

Medibank Income Protection is promoted by Medibank Private Limited, **(Medibank Private)** ABN 47 080 890 259 Authorised Representative No. 286089 of 720 Bourke Street, Docklands VIC 3008. In doing so, Medibank Private is acting as the authorised representative of Greenstone Financial Services Pty Ltd, (GFS) ABN 53 128 692 884; Australian Financial Services Licence No. 343079, 58 Norwest Boulevard, Bella Vista NSW 2153. GFS is authorised to enter into Medibank Income Protection policies on Swiss Re's behalf.



# Welcome to Medibank Income Protection

**As one of Australia's largest and most accessible health funds, Medibank Private works hard to provide the right range of covers to meet its members' needs. In fact, over three million Australians trust Medibank Private with their health cover.**

This now goes beyond traditional health insurance and Medibank Private is giving you the opportunity to access competitively priced income protection insurance that can be obtained with ease and convenience.

Medibank Private has arranged for Swiss Re, part of one of the world's leading insurance groups, to provide insurance to help maintain your lifestyle if you suffer a Disability due to sickness or injury.

## Explaining this document

This Combined Product Disclosure Statement (PDS) and Financial Services Guide (FSG) is designed to help you decide if the cover provided is right for you.

This document comprises:

- The PDS, which is provided by the insurer, Swiss Re, describes the main features and benefits and sets out the terms and conditions of Medibank Income Protection. Swiss Re is responsible for the PDS, but not the FSG.
- The FSG, which is provided by GFS and Medibank Private. Medibank Private is responsible for the promotion of Medibank Income Protection as the authorised representative of GFS. GFS is authorised by Swiss Re to enter into policies on behalf of Swiss Re. GFS and Medibank Private are responsible for the FSG, but not the PDS.

The FSG contains important information about the services provided by GFS and Medibank Private in relation to Medibank Income Protection, the remuneration they receive, and external and internal dispute resolution services. It is designed to assist you in deciding whether to use any of the services.

Information contained in the PDS may be updated or changed. Any changes or updates that are not materially adverse to you will be available on the Medibank Income Protection website at [www.medibank.com.au/life](http://www.medibank.com.au/life) or you can request a free paper copy by contacting us on 1300 766 085.

# What's included in this Combined PDS and FSG?

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# Product Disclosure Statement (PDS)

## Explaining the PDS

Any advice given in this PDS is general only and does not take into account your individual objectives, financial situation or needs. You should consider whether this product is right for you, having regard to your objectives, financial situation and needs. You should carefully read this PDS and any other documentation we send you before making a decision whether to acquire Medibank Income Protection.

Medibank Income Protection is issued by the insurer, Swiss Re Life & Health Australia Limited (Swiss Re). Swiss Re has sole responsibility for the PDS and Policy Schedule and the assessment and payment of claims.

In this PDS, some words or expressions have special meaning. They normally begin with capital letters and their meaning is explained in the Glossary on page 16 of this PDS.

**In this PDS, references to we, us and our means Swiss Re.**

Medibank Income Protection is not issued, guaranteed or underwritten by Medibank Private Limited (Medibank Private), and Medibank Private is not involved, nor liable, in any manner in respect of the assessment and payment of benefits under Medibank Income Protection.

## Introducing Medibank Income Protection

Medibank Income Protection provides a monthly Income Benefit if you suffer a Disability. There are two types of Medibank Income Protection. The type of cover you are eligible to apply for depends on your current Employment Status. Any claim you make will be assessed differently depending on the type of cover you have.

If you work for at least 20 hours per week in permanent paid employment or self-employment, you can apply for **Standard Cover**. If you suffer a Disability under this type of cover and, as a result, you are not able to work in your Usual Occupation, for longer than the Waiting Period, a monthly Income Benefit will be paid, subject to the terms and conditions of the Policy.

If you work less than 20 hours per week, paid or unpaid, you can apply for **Essential Cover**. If you suffer a Disability under this type of cover and, as a result, you are not able to perform certain essential day to day activities (which are described on page 8) for longer than the Waiting Period, a monthly Income Benefit will be paid, subject to the terms and conditions of the Policy.

In addition to the monthly Income Benefit, a premium waiver and a death benefit are available under the Policy. Other additional benefits which may be applicable include a lump sum payout for Total and Permanent Disability and rehabilitation benefits.

Enhanced benefits are available for those with Medibank Private health insurance; a Member Bonus and a 10% discount on the Medibank Income Protection premiums.

With Medibank Income Protection, you are protected 24 hours a day, 7 days a week, worldwide provided you remain an Australian Resident.

The benefits and the terms and conditions of Medibank Income Protection are explained in this PDS.

## Your Insurance Policy

If your application for Medibank Income Protection is accepted by us, we will issue you a Policy Schedule. Your Policy consists of the Policy Schedule and:

- this PDS (which includes the terms and conditions applying under your Policy);
- the application (and any future application accepted by us); and
- any special conditions, amendments or endorsements we issue you.

Please keep the Policy Schedule, this PDS and all documents that we send to you in a safe place for future reference. The insurance provided under Medibank Income Protection is written out of the Swiss Re Statutory Fund.



## Who can apply for Medibank Income Protection?

You can apply for Medibank Income Protection if you are an Australian Resident aged between 18 and 59.

We reserve the right to accept or decline applications for Medibank Income Protection in our absolute discretion.

## What type of Medibank Income Protection you can apply for

There are two types of Medibank Income Protection. The type of cover you are eligible to apply for depends on your current Employment Status. Any claim you make will be assessed differently depending on the type of cover you have.

If you work for at least 20 hours per week in permanent paid employment or self-employment, you can apply for Standard Cover.

If you work less than 20 hours per week, paid or unpaid, you can apply for Essential Cover.

## How much Medibank Income Protection you can apply for

The minimum and maximum Monthly Amount Insured that you can apply for (in \$100 increments) at the Acceptance Date is shown below.

	Standard Cover	Essential Cover
<b>Minimum Monthly Amount Insured</b>	\$1,000	\$1,000
<b>Maximum Monthly Amount Insured</b>	75% of your monthly Pre-Tax income up to a maximum of \$7,500, or \$3,500 for some occupations (if this applies to you, this will be shown on your Policy Schedule).	\$3,500



## When we will pay the Benefit Amounts

We will pay the benefits under this Policy if you suffer an Insured Event while covered under the Policy, except in the circumstances explained in **What is not covered under your Medibank Income Protection?** on page 11.

Payment of a benefit is subject to the provision of the applicable claim proofs, which are explained under the heading **Making a claim** on page 14.

### Income Benefit

We will pay the Income Benefit as a monthly amount if you:

- suffer a Disability while covered under the Policy; and
- remain continuously and totally Disabled during the Waiting Period; and
- are continuously and totally Disabled after the end of the Waiting Period.

The Income Benefit starts from the end of the Waiting Period and is paid monthly, 30 days in arrears, during the Benefit Period.

For parts of a month, the amount paid will be at the rate of 1/30th of the Income Benefit for each day the Income Benefit is payable.

Example: If you choose a 30 day Waiting Period, your first payment would be 60 days after you were first eligible to claim (the 30 day Waiting Period plus 30 days because claims are paid in arrears).

Naturally there is no Income Benefit payable for the duration of the Waiting Period you have chosen.

The meaning of **Disabled/Disability** differs depending on type of cover you have;

Standard Cover	Essential Cover
<p>Disabled/Disability means that solely due to a sickness or injury occurring after the Acceptance Date you are:</p> <ul style="list-style-type: none"> <li>• unable to work in your Usual Occupation; and</li> <li>• under the regular care and following the advice of a Medical Practitioner in relation to that sickness or injury; and</li> <li>• not working in any occupation.</li> </ul>	<p>Disabled/Disability means that solely due to sickness or injury occurring after the Acceptance Date you are totally unable to perform at least three of the following four categories of activities:</p> <p><b>Cleaning</b> – cleaning your home (such as using a vacuum cleaner, sweeping with a broom, using a mop, cleaning dishes - automatic or manual).</p> <p><b>Cooking</b> – cooking your meals (such as preparing fresh and frozen food, using an oven, stove or microwave oven).</p> <p><b>Laundry</b> – doing your laundry (such as loading and unloading a washing machine and hanging out clothes or using a dryer, folding clothes and ironing).</p> <p><b>Shopping</b> – shopping for food and household items (such as attending shops or using the phone or internet to purchase food or household items).</p> <p>You must be under the regular care and following the advice of a Medical Practitioner in relation to that sickness or injury.</p>

## Waiting Period

When you apply for cover, you can choose either a 30 day or a 90 day Waiting Period.

The Waiting Period begins when you consult a Medical Practitioner who certifies you as Disabled due to sickness or injury. You must be continuously Disabled throughout the Waiting Period.

The Waiting Period applicable to your Policy will be shown on the Policy Schedule.

## Benefit Period

The Benefit Period means the maximum length of time that we will pay the Income Benefit for the same or related Disability during the life of the Policy.

The Benefit Period is shown in the Policy Schedule.

### Standard Cover

The Benefit Period you can apply for is 1 year, 2 years or 5 years.

The Benefit Period will be restricted to 1 year or 2 years for some occupations.

### Essential Cover

The Benefit Period you can apply for is 1 year or 2 years.

## Income Benefit Amount

The Income Benefit payable each month will depend on the type of cover you have.

### Standard Cover

The Income Benefit payable each month of the Benefit Period will be calculated as the lesser of:

- the Monthly Amount Insured; and
- 75% of your monthly Pre-Disability Income, less Other Payments.

The Income Benefit payable may be less than the Monthly Amount Insured shown on your Policy Schedule. This will depend on your Pre-Disability Income and whether you are receiving Other Payments.

For example, if your Benefit Amount is \$5,000 and your Pre-Disability Income was \$4,000, the Income Benefit would be \$3,000 ie the lesser of \$5,000 and \$4,000 is \$4,000 and 75% of \$4,000 equals \$3,000.

Using the same example, if you were also receiving workers compensation benefits of \$1,500 per month, the Income Benefit would be \$1,500 ie \$3,000 (75% of your Pre-Disability Income) minus \$1,500 (workers compensation benefit) = \$1,500.

These examples are illustrative only. Actual Standard Cover Income Benefits payable will depend on your Benefit Amount and circumstances.

### Essential Cover

The Income Benefit payable each month of the Benefit Period will be the Monthly Amount Insured.

## How long will payments continue?

We will continue to pay you the Income Benefit until the earliest of the following:

- you cease to meet the definition of Disability applicable to you; or
- the Benefit Period ends; or
- the Policy ends; or
- your death; or
- you cease to be an Australian Resident (this applies particularly to temporary Australian Residents who hold a valid temporary working visa. If this applies, you will not receive the Income Benefit if you no longer reside in Australia).

## Limit on benefits

You are only entitled to one Income Benefit payable at any one time under this Policy, even if you suffer more than one Disability giving rise to a claim.

The limits on benefits that will apply depend on the type of cover you have.

### Standard Cover

At no time can your Income Benefit exceed 75% of your Pre-Disability Income, or \$7,500 per month (whichever is the lesser).

The maximum Monthly Amount insured is \$3,500 per month for some occupations. If this applies to you, this will be shown on your Policy Schedule.

### Essential Cover

Benefits are limited to \$3,500 per month.

For both Standard Cover and Essential Cover, Claims Escalation applies to all claims with a benefit period of 2 years or more. Member Bonus and Claims Escalation payments may result in your benefits exceeding the above limits.

If you are covered under more than one Medibank Income Protection Policy and/or Medibank Income Protection (Accident Cover) Policy, we will apply these limits to the total of the Benefit Amounts payable under all such policies. Any reduction in the Benefit Amounts will be applied to the insurance most recently commenced and we will refund the premiums paid in relation to the amount by which the Benefit Amount is reduced.

## Other benefits

### Rehabilitation benefit

#### Standard Cover

This benefit provides an additional payment of up to 50% of the Monthly Amount Insured for a maximum of six months. This benefit can help you return to work, and is payable if you are receiving the Income Benefit.

The rehabilitation benefit is payable as a reimbursement of rehabilitation expenses which must be:

- pre-approved by us in writing before the expenses are incurred; and
- in conjunction with a return to work plan; and
- incurred whilst you are receiving the Income Benefit.

Receipts must be provided with claim proofs.

We will not make any payments under this benefit which would be prohibited by health insurance legislation such as the Health Insurance Act 1973 (Cth), Private Health Insurance Act 2007 (Cth) or the National Health Act 1953 (Cth).

#### Essential Cover

Rehabilitation benefits are not available under Essential Cover.

### Total and Permanent Disability benefit

#### Standard Cover

This benefit applies if you have a 2 year or 5 year Benefit Period and provides a lump sum benefit at the end of the Benefit Period, where the Income Benefit has been paid continuously during the benefit period and you are Totally and Permanently Disabled and unlikely to ever return to work in your Usual Occupation.

The Total and Permanent Disability benefit payable is:

- if your Policy has a 2 year Benefit Period, a lump sum equal to three times the Monthly Amount Insured; or
- if your Policy has a 5 year Benefit Period, a lump sum equal to five times the Monthly Amount Insured.

For example, if your Policy has a 2 year Benefit Period and your Benefit Amount is \$2,500, the Total and Permanent Disability benefit payable would be \$7,500 ie 3 x \$2,500.

#### Essential Cover

Total and Permanent Disability benefits are not available under Essential Cover.

### Death benefit

This benefit provides a lump sum payment of three times the Monthly Amount Insured if you die while the Income Benefit is payable. If you are not eligible to receive the Income Benefit when you die, no death benefit is payable.

### Member bonus

For Medibank Private members who suffer a Disability that results in payment of the Income Benefit, we will increase the Income Benefit payable by an extra \$200 per month (pro rata for part of a month). This bonus payment may be used as a contribution toward costs that you may incur eg private health insurance. It will be paid when the Income Benefit is paid, even if the Income Benefit that you are receiving is the maximum payable.

## What is not covered under your Medibank Income Protection?

We will not pay an Income Benefit in respect of a claim for a Disability occurring directly or indirectly as a result of:

- an intentional or deliberate self-inflicted act or attempted suicide; or
- war (whether declared or not) or war-like activity, or taking part in a riot or civil commotion; or
- Chronic Fatigue Syndrome (including myalgic encephalomyelitis, post viral fatigue and other terms commonly used to describe Chronic Fatigue Syndrome); or
- Mental Disorder or Illness.

In addition to the above, we will not pay an Income Benefit in respect of a claim for a Disability occurring directly or indirectly as a result of:

- normal and uncomplicated pregnancy, childbirth or miscarriage where you are Disabled for less than 90 days after the later of the date your pregnancy finished or the date your Disability commenced (this replaces the normal Waiting Period in this case.); or
- cosmetic surgery, unless you are Disabled for more than 3 months from the later of the date of your surgery or the date your Disability commences (the later date being the date we will consider your Disability to have started).

We will not pay the Income Benefit where we have agreed a special term with you in respect of your cover that specifically excludes the event or condition leading to the claim. Any such special term will be agreed with you before your Policy is issued and will appear on your Policy Schedule.

## When your cover starts and ends

If your application for Medibank Income Protection is accepted by us, your cover starts on the Acceptance Date set out in the Policy Schedule. Your first premium is deducted from the Commencement Date, which is also set out in the Policy Schedule.

We guarantee to continue your Medibank Income Protection Policy (provided you pay your premiums when due) until the first of the following occurs:

- the Policy Anniversary following your 65th birthday; or
- the date the Policy ends; or
- the date you cancel the Policy; or
- the date we cancel the Policy; or
- the date you cease to be an Australian Resident; or
- your death.

If your premiums remain unpaid for more than one month, your Policy could be cancelled. If we cancel your Policy, it may be reinstated within six months of the date that the Policy was cancelled, but only if we agree and subject to any terms and conditions we might require.

You can cancel your Policy by writing to Policyowner Services, Medibank Income Protection, PO Box 6728, Baulkham Hills NSW 2153, giving us 30 days notice.

### Employer-approved leave from work

If you have Standard Cover you can maintain your Policy whilst on leave from work for an employer-approved period of time eg parental leave, long service leave, study leave, sabbatical etc.

Disability during the period of leave will be based on your Usual Occupation and Pre-Disability Income (calculated as at the last day prior to your leave commencing). After 2 years on leave from your Usual Occupation (which means you are not producing a Pre-Tax Income from your Usual Occupation) no benefit is payable.

Employer-approved leave from work does not apply if you are self-employed or if you are covered under the Essential Cover.

### Reduction in working hours

If you have Standard Cover and you reduce your working hours to less than 20 hours per week, you can continue to hold Standard Cover. However, you should be aware that if your Pre-Disability Income also decreases, the amount you are eligible to claim may also reduce.

If you have Standard Cover and you cease working in paid employment for 2 years, you should be aware that no benefit would be payable. If this applies, you may want to reconsider the cover you have.

## Who receives the benefit?

We will make all Income Benefit payments to you the Policyowner.

If a death benefit is payable, it will be paid to your legal personal representative (or other person that we are permitted to pay under the Life Insurance Act 1995).

All benefits are paid in Australian dollars.

## Changing your cover

You may apply at any time in writing to:

- increase your Benefit Amount; or
- decrease your Benefit Amount; or
- change your status from a smoker to a non-smoker, for the purpose of determining the premium rating. You must provide a completed declaration form.

If you have Standard Cover, you can apply to increase your Benefit Amounts without further assessment if you have received an increase in salary equal to 20% or greater (at any one point in time). You must apply for your Benefit Amount increase within 60 days of your salary increase and you are limited to three of these increases throughout the duration of the Policy. This is subject to the minimum and maximum limits in **How much Medibank Income Protection you can apply for** on page 7.

Any change requested and the terms and conditions relating to the change are subject to our acceptance and written confirmation by us.

Any cover in place will be unaffected by future applications for increases, even where we decline the increase or agree to cover subject to special terms.

## The cost of your cover

Premiums are the cost of your insurance. The premium you are required to pay when the Policy starts is shown on your Policy Schedule.

Your premium is calculated at the Acceptance Date and at each Policy Anniversary and is based on:

- your age at that time; and
- the Monthly Amount Insured; and
- the Benefit Period; and
- the Waiting Period; and
- various other factors which may affect the premium rating, such as gender, smoking status, the state of your health, family history, occupation, employment status and participation in hazardous activities.

Individuals with Medibank Private health insurance are eligible for a 10% discount on their Policy, for as long as their Medibank Income Protection Policy remains current.

We may change the premium rates applying to your Policy, but only if we change the premium rates applying to all (or the same group of) Medibank Income Protection Policyowners. We will send written notice of any change to you (or to your last address notified to us) at least 90 days before the effective date of the change.

For an indicative premium estimate, please visit [medibank.com.au/incomeprotection](http://medibank.com.au/incomeprotection) or phone 1300 132 696.

You should note that the actual cost of your premiums may vary from an indicative premium estimate provided online or by phone.

## Premium waiver

You do not have to pay your premium for this Policy for any period during which the Income Benefit is payable.

## How you can pay for your cover and when your premium is deducted

Your premium will be debited by us on the date of your choice, either fortnightly or monthly, as you choose. You can pay either by automatic debit from your bank, credit union or building society account or from your credit card.

You can apply at any time in writing to change the method of payment of premiums. Payment frequency changes can only be made on the Policy Anniversary following the request.

Premiums must be paid in Australian dollars.

## Your 30 day cooling off period

You have 30 days from the Commencement Date of your Policy to decide whether you want to keep the Policy. If you want to cancel your Policy within this 30 day period, you can do so provided you have not made a claim under the Policy.

Please send your Policy Schedule to Policyowner Services, Medibank Income Protection PO Box 6728, Baulkham Hills NSW 2153, with a written request for cancellation, within the 30 day period. When we receive your letter and Policy Schedule, we will cancel the Policy and refund any premiums you may have paid.

## Your duty of disclosure

When applying for a Medibank Income Protection Policy, you have a duty of disclosure under the Insurance Contracts Act 1984, to tell us anything you know, or could reasonably be expected to know, which is relevant to our decision as to whether to insure you and on what terms. You have this duty until we agree to insure you. You have the same duty to disclose those matters when applying to increase a Benefit Amount or include additional benefits, or when applying to reinstate this Policy.

You do not need to tell us anything that:

- reduces our risk; or
- is of common knowledge; or
- we know, or as an insurer, should know; or
- we indicate we do not want to know.

If you fail to comply with the duty of disclosure, and we would not have issued the Policy (or accepted an application to extend, vary or reinstate your Policy) if the duty had been complied with, we may avoid the relevant part(s) of the Policy within three

years of the Acceptance Date of your Policy (or the date we agreed to increase a Benefit Amount, include additional benefits, or reinstate the Policy, as applicable). This means we could refuse to pay a benefit.

If the non-disclosure is fraudulent, we may avoid the Policy at any time.

Alternatively, we may also:

- reduce the amount of cover under the relevant part(s) of the Policy at any time to reflect the premium that would have been payable if all relevant matters had been disclosed to us; or
- if we have not cancelled the Policy or varied the cover amount, we can vary the Policy (including any of the terms and conditions of the relevant part(s) of the Policy) in a way that places us in the same position we would have been if the non-disclosure or misrepresentation had not occurred.

In exercising our rights outlined above, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the above rights separately to each type of cover.

The duty of disclosure continues to apply after your application for cover, extension, variation or reinstatement until such time as we notify you that the risk has been accepted.

**Please note:** Medibank Private does not provide any information it may have about your health, medical history, occupation or pastimes to us. Therefore you must act in accordance with your duty of disclosure explained above, and you must provide complete and accurate answers when applying for insurance, or when applying to increase a Benefit Amount, or when applying to include additional benefits or reinstate the Policy. You must provide all information even if you think or are aware that such information is, or may already be, held by Medibank Private.

## The risks you should know about

It is important to select the correct insurance product and apply for the appropriate level of cover for your needs. If you do not have enough cover it might cause you or your family to suffer financial hardship even after receiving the benefit payment.

Under the Standard Cover, if you have more cover than you need, you may be paying for more cover than you are eligible to receive. This is particularly important if your income reduces or if you cease to generate an income (see details in **Employer-approved leave from work and Reduction in working hours** on page 11 ). You should assess your needs carefully to ensure that this does not occur.

Medibank Income Protection is designed purely for protection, unlike some other types of insurance that have savings or investment components, which means that if you cancel your Policy (after the 30 day cooling off period) you will not receive anything back.

If you are replacing a contract or Policy with another contract or Policy, you should consider all the terms and conditions of each Policy before making a decision to change.

## Making a claim

If you (or your legal personal representative) wish to claim under your Policy, please phone 1300 766 085 or write to Claims Services, Medibank Income Protection, PO Box 6728, Baulkham Hills NSW 2153. We will send you a form to be completed, signed and returned. We may also require your treating Medical Practitioner to complete a form at your (or your estate's) expense.

The Policy must be in force when the Insured Event occurs. Claim notification should be made as soon as possible after the claimable event. If you do not notify us within 120 days after the event giving rise to the claim, and we are disadvantaged by the delay, we may be entitled to reduce the amount we would otherwise pay, or we may be entitled to refuse to pay the claim.

Before a claim is payable we must receive proof, provided at your (or your estate's) expense and to our satisfaction, that the Insured Event has occurred.

- the Insured Event must be confirmed by one or more medical specialists nominated by us; and
- all relevant information, including any test, examination, or laboratory results, must be provided to us.

To claim the Income Benefit you will need to provide proof of Pre-Disability Income over the 2 years immediately prior to the claim. This is not applicable if you have Essential Cover.

We may be entitled to refuse to pay the benefit under this Policy if a claim notification is made more than 120 days after the Insured Event giving rise to the claim without good cause or if we do not have evidence to our satisfaction of the applicable Insured Event or the cause of your Disability.

We reserve the right to require you to undergo, at our expense, examinations or other reasonable tests to confirm the occurrence of an Insured Event or entitlement to claim. In addition we may conduct investigations to assess the validity of the claim. This could involve the use of investigation agents and surveillance, legal advisers and the collection of personal data.

### Recurrent Disability benefit

#### Standard Cover

If Disability recurs from the same or a directly related cause within six months of your last Income Benefit payment and you are again eligible to claim, we will treat it as a continuation of your previous claim. In this circumstance the Waiting Period will be waived, but your claim is only payable for the balance, if any, of the Benefit Period.

#### Essential Cover

Recurrent Disability benefit is not available under Essential Cover.

### Eligibility for a new claim

If you are covered under the Standard Cover, to be eligible to make a new claim, (which is not considered a Recurrent Disability claim) you must have returned to work for at least 20 hours per week and your Policy must be in force at the date your new claim begins. You must serve the Waiting Period again.

If you are covered under the Essential Cover to be eligible to make a new claim, you must be able to demonstrate that you have regained your capacity to complete at least three of the four categorised activities referred to on page 8 and your Policy must be in force at the date your new claim begins. You must serve the Waiting Period again.

## Tax

If you are earning a taxable income the premiums in respect of the Policy may be tax deductible. All benefits payable, (including the rehabilitation benefit and the member bonus) will then generally be considered as taxable income.

Please note, you do not have to pay GST on your premiums or any benefits you receive.

The information in this section is based on continuance of present tax laws and their interpretation and is a general statement only. As individual circumstances will vary, you should consult your professional tax adviser for advice regarding your personal circumstances.

## Your privacy

We collect personal information (including sensitive information) for the purpose of processing insurance applications, administering your Policy and assessing and paying claims under the Policy. Where possible, we collect personal information directly from you or, where that is not reasonably possible or practicable, from other sources.

We may also use your personal information to consider any other application you may make to us, designing or underwriting new insurance products, for research and analytical purposes, to perform administrative functions (including for example accounting, risk management, staff training, etc), and to comply with our legal obligations. If you do not provide this information in whole or in part we may not be able to provide the services you require, or you may be deemed to not have complied with your duty of disclosure which could affect the outcome of any claim you submit.

We may disclose personal information:

- to agents, third party service providers and related companies who assist us in processing any application or claim for insurance, such as GFS, reinsurers, our advisers, persons involved in claims, medical service providers, external claims data collectors, investigators and verifiers and your employer;
- to agents and third party service providers who perform functions or services on our behalf, such as IT services and mailing functions;
- to Medibank Private to assist them in developing, identifying and promoting to you Medibank Private products and services which may be of interest to you. Please contact Medibank Private if you wish to withdraw your consent to receiving information about their products and services; and
- where otherwise required by law.

Some of the related companies we may disclose personal information to may be located overseas in countries including the United Kingdom, India, the United States of America and Switzerland.

If you wish to access, update or seek correction of any personal information, to make a complaint about a breach of privacy, or if you have any other query relating to privacy, further information can be obtained from our privacy policy by contacting us using the details found under **If you have any questions or complaints.**

## If you have any questions or complaints

For more information about Medibank Income Protection, to confirm Policy transactions, or if you have any questions about the information contained in the PDS, please phone Policyowner Services on 1300 766 085.

Our lines are open: Monday to Friday 8:00am to 8:00pm (AEST) Alternatively, you can write to Policyowner Services, Medibank Income Protection, PO Box 6728, Baulkham Hills NSW 2153.

We hope that you never have reason to complain, but if you do we will do our best to work with you to resolve it. Please phone or write to Policyowner Services (our contact details are shown above) to access our internal complaints resolution process.

Please supply your Policy number to enable the enquiry to be dealt with promptly. Your complaint or enquiry will be dealt with by someone with appropriate authority.

Receipt of your complaint will be acknowledged within 2 working days of receipt in all cases. However, where additional specific information is requested by us from a third party, a full answer to your complaint will follow as soon as possible after the acknowledgment letter.

In the unlikely event that your complaint is not resolved to your satisfaction, or your complaint has not been resolved within 45 days, please contact the Financial Ombudsman Service (FOS) at:

### Financial Ombudsman Service

Mail: GPO Box 3, Melbourne VIC 3001

Phone: 1300 780 808 (local fee applies)

Fax: (03) 9613 6399

Website: [www.fos.org.au](http://www.fos.org.au)

Email: [info@fos.org.au](mailto:info@fos.org.au)

FOS is an independent complaint review service. A decision of FOS is binding on us (up to specified limits) but not on you. It is a service provided without cost to you.



## Glossary

In the PDS and Policy Schedule, some words begin with a capital letter. These words have the special meanings as explained in this section:

### Acceptance Date

Acceptance Date means the date your application for a Policy is accepted by us and cover starts, as set out in the Policy Schedule.

### Australian Resident

Australian Resident means a person who resides in Australia and:

- holds Australian or New Zealand citizenship; or
- holds an Australian permanent residency visa; or
- has been in Australia continuously for six months or more on a temporary work visa.

### Benefit Amount

Benefit Amount means the amount shown on the Policy Schedule by reference to which the Income Benefit and other benefits (if applicable) are calculated.

### Benefit Period

Benefit Period means the maximum length of time that we will pay the Income Benefit for the same or related Disability during the life of the Policy. The Benefit Period is shown in the Policy Schedule.

### Chronic Fatigue Syndrome (CFS)

Chronic Fatigue Syndrome (CFS) is a complex and debilitating disorder characterised by profound fatigue for a minimum of 6 months, that is unrelieved by rest and that may be exacerbated by physical or mental activity. There are also likely to be a variety of non-specific symptoms, for example, muscle or joint pain, sore throat, headache, impaired memory and/or concentration. CFS may also be referred to as; Epidemic neuromyasthenia; Myalgic encephalomyelitis (ME) and Post viral fatigue syndrome (PVFS). Although classified by the World Health Organization under Diseases of the nervous system the cause or origin of CFS is currently unknown and there is no diagnostic laboratory test or biomarker.

### Claims Escalation

Claims Escalation means we will increase the Income Benefit payable to you under a claim by the lesser of:

- the Consumer Price Index of the Reserve Bank of Australia published on the preceding 1st July that year, or
- 5%.

This increase will apply 12 months after the end of the Waiting Period and every 12 months thereafter, provided the claim remains payable.

If you suffer a Recurrent Disability, we will recommence your claim and apply Claims Escalation 12 months from the end of the original Waiting Period.

When we stop paying a claim that includes Claims Escalation, the Monthly Amount Insured will revert back to the amount shown in the Policy Schedule for any subsequent claims that do not arise from a Recurrent Disability unless Claims Escalation applies to such claims in their own right.

### Commencement Date

Commencement Date means the date on which your first premium payment is deducted. The date you select for the first premium deduction is set out in the Policy Schedule.

### Disabled/Disability

Disabled/Disability has the meaning explained in the table on page 8.

Standard Cover	Essential Cover
<p>Disabled/Disability means that solely due to a sickness or injury occurring after the Acceptance Date the Life Insured is:</p> <ul style="list-style-type: none"> <li>• unable to work in their Usual Occupation; and</li> <li>• under the regular care and following the advice of a Medical Practitioner in relation to that sickness or injury; and</li> <li>• not working in any occupation.</li> </ul>	<p>Disabled/Disability means that solely due to sickness or injury occurring after the Acceptance Date the Life Insured is totally unable to perform at least three of the following four categories of activities:</p> <p><b>Cleaning</b> - cleaning your home (such as using a vacuum cleaner, sweeping with a broom, using a mop, cleaning dishes - automatic or manual).</p> <p><b>Cooking</b> - cooking your meals (such as preparing fresh and frozen food, using an oven, stove or microwave oven).</p> <p><b>Laundry</b> - doing your laundry (such as loading and unloading a washing machine and hanging out clothes or using a dryer, folding clothes and ironing).</p> <p><b>Shopping</b> - shopping for food and household items (such as attending shops or using the phone or internet to purchase food or household items).</p> <p>You must be under the regular care and following the advice of a Medical Practitioner in relation to that sickness or injury.</p>

## Employment Status

Employment Status means your employment status at the Acceptance Date.

## Essential Cover

Essential Cover refers to a type of cover under this Policy. If you work less than 20 hours per week, paid or unpaid, you are eligible to apply for this type of cover. The type of cover you have determines how your claim benefit is assessed at claim time.

## Income

Income means the pre-tax monthly earnings from your Usual Occupation (less any business expenses that were necessarily incurred to earn that income). This amount is what you would normally declare to the Australian Taxation Office as earned income.

For employed people, this includes salary, wages, fees and 'packaged' items such as vehicle and parking allowances and voluntary employer contributions to superannuation.

Income from self-employment or a business in which you or your immediate family has a controlling interest includes your share of income of the business (after deduction of necessary business expenses but before tax). This income must be from personal exertion.

## Income Benefit

Income Benefit means the monthly benefit you are eligible to receive, in the event you suffer a Disability as explained under the heading Income Benefit on page 8.

## Insured Event

Insured Event means your Disability, Total and Permanent Disablement, or death (as applicable).

## Medical Practitioner

Medical Practitioner means a qualified, practicing medical specialist, licensed to practice his or her medical specialty within Australia or New Zealand, and whose specialty qualifies him or her to diagnose a medical condition, an illness, or injury covered under this Policy. The Medical Practitioner must not be the Policyowner, their spouse, relative or business associate.

## Member Bonus

Member Bonus means the increase in Income Benefits applicable to Medibank Private members explained under the heading **Member Bonus** on page 10.

## Mental Disorder or Illness

Mental Disorder or Illness means any disorder or illness classified in the Diagnostic and Statistical Manual of Mental Disorders, Volume IV, published by the American Psychiatric Association (or such replacement or successor publication we approve, or if none, then a comparable publication as selected by us). Such mental disorder conditions include, but are not limited to:

- traumatic stress;
- physical symptoms of a psychiatric illness;
- anxiety;
- depression;
- psychoneurosis;
- psychotic, personality, emotional or behavioural disorders; and
- disorders related to substance abuse or dependency which include alcohol, drug or chemical dependency.

Mental Disorders or Illnesses do not include dementia (except where the dementia is related to substance abuse or dependency), Alzheimer's disease or head injuries.

## Monthly Amount Insured

Monthly Amount Insured is the amount shown on the Policy Schedule.

## Other Payments

Other Payments are:

- workers compensation; and
- compensation for motor vehicle injury; and
- payments made under statute, regulation or ordinance; and
- damages paid under common law whether modified or not by statute; and
- payments received from any other disability income, sickness or injury policies, including group insurance policies; and
- sick leave or any other approved leave payments received. This does not include an entitlement to these payments when they are not received or taken.

If any of the Other Payments are paid in a lump sum we will convert it to the equivalent in terms of monthly income. We calculate this based on actuarial advice, by looking at the circumstances in which the payments were made.

## Pre-Disability Income

Pre-Disability Income is the calculation of the highest average amount of monthly Pre-Tax Income for any period of 12 consecutive months during the two years immediately before you became Disabled, verified in the form of tax returns or employer-issued pay slips.

### **Pre-Tax Income**

Pre-Tax Income means income earned through personal exertion calculated after the deduction of expenses incurred in producing that income and before the deduction of income tax.

### **Policy**

Policy means the legal contract between the Policyowner and us. This PDS, your application, any future application accepted by us, the Policy Schedule, including any special conditions, amendments, or endorsements make up the Policy.

### **Policy Anniversary**

Policy Anniversary means the anniversary of the Commencement Date of your Policy.

### **Policy Schedule**

Policy Schedule means the document we send you which sets out the details of your Policy, including any special conditions, amendments or endorsements. A new Policy Schedule will be issued at any time there is a change in your Policy such as a change to the level of cover, or variation of benefits. The new Policy Schedule will apply from the Policy Schedule date shown on the Policy Schedule.

### **Policyowner, you, your, yours**

Policyowner, you, your, yours means the owner of the Policy named in the Policy Schedule and the Life Insured.

This Policy may not be transferred or assigned to another person.

### **Recurrent Disability**

Recurrent Disability means a Disability which recurs from the same or a directly related cause within 6 months of your last Income Benefit payment.

### **Standard Cover**

Standard Cover refers to a type of cover under this policy. If you work for at least 20 hours per week in permanent paid employment or self-employment, you are eligible to apply for the Standard Cover. The type of cover you have determines how your claim benefit is assessed at claim time.

### **Swiss Re, we, us and our**

Swiss Re, we, us and our means Swiss Re Life & Health Australia Limited.

### **Total and Permanent Disability/Totally and Permanently Disabled/Total and Permanent Disablement**

Total and Permanent Disability/Totally and Permanently Disabled/Total and Permanent Disablement means solely because of the same sickness or injury causing Disability, you have been Disabled for the whole of the Benefit Period and in our opinion after consideration of all relevant evidence, are unlikely ever to be able to work again in your Usual Occupation.

### **Usual Occupation**

Usual Occupation means the occupation predominantly performed in the 12 months prior to the sickness or injury causing Disability (or in the 12 months prior to the commencement of employer-approved leave from work if Disability starts 12 months or more after commencing that leave).

### **Waiting Period**

Waiting Period means the period for which you must be Disabled before you are entitled to an Income Benefit. The Waiting Period is shown on your Policy Schedule.

### **You, your, yours, Policyowner**

You, your, yours, Policyowner means the owner of the Policy named in the Policy Schedule as the Life Insured.

This Policy may not be transferred or assigned to another person.

## Direct Debit Service Agreement

- 1 Swiss Re Life & Health Australia Limited ABN 74 000 218 306 ('Debit User') will initiate direct premium debit payments in the manner referred to in the Schedule (contained in the Direct Debit Request).
- 2 Debit payments will be made when due. The Debit User will not issue individual confirmation of payments made.
- 3 The Debit User will give the customer at least 14 days written notice if the Debit User proposes to vary details of this arrangement, including the amount and frequency of debit payments.
- 4 If the customer wishes to defer any payment or alter any of the details referred to in the Policy Schedule, they must either contact the Debit User on 1300 766 085 or write to the Debit User at the following address:  
  
Swiss Re Life & Health Australia Limited  
c/o PO Box 6728  
Baulkham Hills NSW 2153
- 5 Customer queries concerning disputed debit payments must be directed to the Debit User in the first instance. Details of the dispute resolution process that applies to the Debit User are described in this PDS on page 15. Queries about claims in regard to disputed debit payments should also be directed to the Debit User and may also be directed to the customer's financial institution nominated in the Schedule.
- 6 Direct payment debiting is not available on the full range of accounts at all financial institutions. If in doubt, the customer should check with their financial institution before completing the Direct Debit Request.
- 7 The customer should ensure that their account details given in the Policy Schedule are correct by checking against a recent statement from their financial institution at which their account is held.
- 8 It is the customer's responsibility to have sufficient cleared funds available, by the premium due date, in the account to be debited to enable debit payments to be made in accordance with the Direct Debit Request.
- 9 By authorising the Direct Debit Request, the customer warrants and represents that he/she is duly authorised to request and instruct the debiting of premium payments from the account described in the Policy Schedule.
- 10 If a debit payment falls due on any day which is not a business day, the payment will be made on the next business day. If you are uncertain as to when a debit payment will be processed to your account, you should make enquiries directly with the financial institution nominated in the Policy Schedule.
- 11 If a debit payment is returned unpaid, the customer may be charged a fee by the financial institution nominated in the Policy Schedule for each returned item.
- 12 Customers wishing to cancel the Direct Debit Request or to stop individual payments must give at least 7 days written notice to the Debit User at the address referred above.
- 13 Except to the extent that disclosure is necessary in order to process debit payments, investigate and resolve disputed transactions or is otherwise required by law, the Debit User and its service providers will keep details of the customer's account and debit payments confidential.

# Financial Services Guide

**This Financial Services Guide (FSG) is an important document designed to help you make an informed decision about whether to use the services provided in relation to Medibank Income Protection.**

It tells you who the parties are, how you can contact the parties, the services provided by each party, who they act for, the remuneration the parties and other relevant persons may receive for the services and how complaints are dealt with.

To assist in your decision whether to purchase an income protection insurance product, you are provided with a Product Disclosure Statement (PDS) which is included in this Combined PDS and FSG. The PDS includes the benefits, risks, features and terms and conditions of the product to help you make an informed decision about whether to purchase Medibank Income Protection.

## Who are the parties?

The services referred to in this guide are provided by Greenstone Financial Services Pty Ltd (GFS) of 58 Norwest Boulevard, Bella Vista NSW, 2153 phone: 02 8886 8300, (02) 9253 6600, ABN 53 128 692 884, AFSL 343079 and its Authorised Representative Medibank Private Limited (Medibank) of 720 Bourke Street, Docklands VIC 3008. Tel. 132 331, ABN 47 080 890 259, Authorised Representative No. 286089.

Medibank Income Protection is issued by Swiss Re Life & Health Australia Limited (Swiss Re). Please refer to the PDS for further information.

**In this FSG we, our and us refers to GFS.**

## The services that are provided

Medibank Income Protection is promoted and distributed by Medibank as the authorised representative of GFS. Medibank does not act for you. GFS acts under a binder which means that it can make decisions on behalf of Swiss Re as if it were Swiss Re in accordance with the terms of the binder.

GFS is an Australian Financial Services Licensee (AFSL No. 343079). GFS is authorised under this license to advise and deal in relation to life risk and general insurance products. GFS arranges for the issue of Medibank Income Protection under this license.

When you apply for Medibank Income Protection, GFS will tell you about the product and collect certain information from you to determine whether Medibank Income Protection can be issued.

Whilst the parties recommend Medibank Income Protection generally, in making this general recommendation, neither of Medibank or GFS have considered whether it is appropriate for your personal objectives, financial situation or needs as the parties do not act on your behalf. As a result, you need to consider the appropriateness of any information or general advice given to you, having regard to your personal circumstances before buying.

You need to read the PDS and any other relevant policy documentation to determine if Medibank Income Protection is right for you. If you require personal advice you need to obtain the services of a suitably qualified adviser.

## How are the parties and other relevant persons paid for the services?

When you buy Medibank Income Protection you must pay the premium payable to Swiss Re for the product. You will be told the amount of the premium before you purchase the product.

For any Medibank Income Protection policy arranged by GFS and distributed by Medibank, Swiss Re may pay a commission of up to 38.1% of each premium to GFS.

GFS may then pay an amount up to 25% of each premium to Medibank. These amounts are paid out of the total premium payable by you for the policy.

Medibank's staff who provide services in relation to Medibank Income Protection receive an annual salary from Medibank, which includes bonuses based on performance criteria.

GFS representatives are staff or management who are authorised to provide general advice and deal in relation to Medibank Income Protection.

GFS's representatives are paid salaries and may also qualify for extra remuneration depending on performance criteria which can include volume of sales.

## Compensation arrangements

GFS is required by the Corporations Act 2001 (Cth) to operate a compensation arrangement to compensate retail clients for losses they suffer as a result of a breach by GFS of the obligations outlined in Chapter 7 of the Corporations Act.

To this end GFS has professional indemnity insurance in place which meets the legislative requirements covering GFS activities and includes the conduct of any employees who are no longer employed by GFS but were so at the time of the relevant conduct.

## How can you give us instructions about your policy?

Simply phone GFS on 1300 766 085 weekdays between 8:00am and 8:00pm (AEST).

## How is your personal information dealt with?

GFS and Medibank Private collect personal information from you to provide the financial services outlined in this document. GFS and Medibank Private may engage third party service providers to collect this information on their behalf. If you do not supply the requested information GFS and Medibank Private may be unable to provide the requested financial service. In providing these financial services GFS or Medibank Private may disclose your personal information to third parties including insurers, reinsurers, our advisers and other insurance service providers. GFS and Medibank Private are unlikely to send your personal information to any foreign jurisdiction.

From time to time, Medibank Private may send you marketing materials about other products or services which they think could be of interest to you. Methods of communication of these materials include email or text message. If you wish to withdraw your consent for Medibank Private to send you marketing materials please call 1300 766 085.

You can read more about how GFS collects, uses and discloses your personal information in its Privacy Policy, including how to complain about a breach of the Privacy Principles, which is available on its website or you can request a copy. You can also obtain a copy of Medibank Private's privacy policy online at [medibank.com.au](http://medibank.com.au) or drop into a Medibank Private store. If you wish to gain access to your information (including correcting or updating it), have a complaint about a breach of your privacy or have any other query relating to privacy please call 1300 766 085 Monday to Friday, 8am – 8pm EST.

## What if you have a query or complaint?

If you have a complaint, in the first instance please phone GFS on 1300 766 085.

If your concern is still not resolved to your satisfaction please write to our Internal Dispute Resolution Committee at:

### Dispute Resolution Manager

Medibank Income Protection  
PO Box 6728  
Baulkham Hills NSW 2153

Your concern will be investigated by an officer with full authority to deal with the concern and you will be informed in writing of the outcome. If your concern still remains unresolved to your satisfaction, we will assist you in directing your issue for further review to an external review scheme to which we belong.

## How to contact us

If you would like to obtain further information, please phone GFS on 1300 766 085. Please retain this document for your future reference.

## Authorised for issue

This FSG was prepared by Medibank and GFS. Medibank and GFS are respectively responsible only for those parts of this FSG that are expressed to relate to them.

Swiss Re has approved references to it in this FSG.



## For more information

[medibank.com.au/incomeprotection](https://medibank.com.au/incomeprotection)

call 1300 766 085

Write to Medibank Income Protection  
PO Box 6728 Baulkham Hills  
NSW 2153