

# significant event notice



7 January 2021

This notice explains the changes that will be made to the current insurance arrangements described in the HESTA and HESTA Personal Super Product Disclosure Statements and the *Insurance options* booklet. The changes will be incorporated into future versions of the PDS available at [hesta.com.au/pds](https://hesta.com.au/pds) on 1 March 2021.

Insurance in super is an effective way to protect your future and the future of your family by giving you access to financial support if something happens.

## Insurance changes from 1 March 2021

We're making some changes to insurance cover through HESTA so we can keep it competitively priced and to better reflect the needs of most of our members.

We know that keeping insurance costs down while also providing financial security and protection is important. That's why from 1 March 2021, members will see changes to the Standard Income Protection (IP) benefit payment period, as well as the fees for their cover.

There are also changes to the fees and terms of Death Cover and Lump-sum Total and Permanent Disablement (TPD) Cover.

Below is a basic summary of these changes based on a member's insurance arrangements on 28 February 2021. These changes will apply automatically on 1 March 2021 unless a member makes a choice. Read further on page 2 for more details. For most of our members on Standard Cover (two units of Standard IP Cover and two units of Death Cover), the increase in overall insurance fees from 1 March 2021 is between \$0.04 and \$0.22 per week across all age groups on a net insurance fee basis. Read the following pages for further details.

	Main changes from 1 March 2021		
	IP Cover	Death Cover	Lump-sum TPD Cover
<b>Standard Cover members*</b>	<ul style="list-style-type: none"><li>Monthly benefit payment of \$500 (up from \$475)</li><li>Benefit payment period of up to five years (previously to age 67)</li><li>Decrease in IP Cover fees</li></ul>	<ul style="list-style-type: none"><li>Maximum cover of \$3 million<sup>1</sup></li><li>Increase in Death Cover fees</li><li>See page 12 for other changes</li></ul>	<ul style="list-style-type: none"><li>Generally not applicable unless chosen by the member, if so please see below for changes</li></ul>
<b>Customised cover members –</b> (members who have chosen additional cover or varied certain parts of their Standard Cover terms)	<ul style="list-style-type: none"><li>Monthly benefit payment of \$500 (up from \$475)</li><li>Increase in IP Cover fees</li></ul>	<ul style="list-style-type: none"><li>Maximum cover of \$3 million<sup>1</sup></li><li>Increase in Death Cover fees</li><li>See page 12 for other changes</li></ul>	<ul style="list-style-type: none"><li>Maximum cover of \$2 million<sup>1</sup></li><li>Unitised cover - Increase or decrease in Lump-sum TPD fees depending on age</li><li>Fixed cover - Increase in Lump-sum TPD fees</li><li>See page 12 for other changes</li></ul>

\*Standard Cover members (on a standard occupational classification) is usually two units of Standard IP Cover and two units of Death Cover.

Standard IP Cover up to 28 February 2021 has a benefit payment period to age 67. The range in costs shown above applies to these members.

For the purposes of explaining these changes occurring on 1 March 2021, these members also include members with a management occupational classification and IP Cover members who on 28 February 2021 have one unit of IP Cover or a benefit payment period to age 60.

<sup>1</sup>Members who at 28 February 2021 have insurance exceeding these new maximum cover limits will keep their existing cover amount, and the new fees will be applied automatically from 1 March 2021.

A feature of IP Cover that will remain unchanged is the Permanent Incapacity Support Benefit of \$10,200 which eligible members can claim after two years of receiving IP benefits, if they meet certain conditions.

The level and type of insurance cover a member requires is dependent on their personal circumstances. To see what cover you currently have, or to make any changes visit [hesta.com.au/login](https://hesta.com.au/login) and select the insurance option.

## contact us

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## What do I need to know about my Income Protection (IP) Cover?

The key changes that affect most members based on insurance arrangements at **28 February 2021**, are set out in the table below. Differences in a members cover amount, waiting period and benefit payment period will impact on the changes that apply on 1 March 2021, and the alternative choices a member can make. A member's occupational classification (standard or management) do not determine how these changes operate. Members should read the table carefully to understand how it applies to their individual circumstances.

If a member is currently receiving an IP benefit, there may be additional considerations. Read further for more information.

A member's cover expiry age will not be impacted by these changes, e.g. a member who has chosen a cover expiry age to age 60 will continue to keep that cover expiry age.

For details of other changes to IP Cover terms, see page 12.

Members with these insurance arrangements at 28 February 2021					What happens automatically on 1 March 2021	Choices specific to the automatic changes that a member can make*
Cover amount (paid per month)	AND	Benefit payment period	AND	Waiting period		
<b>Standard Cover<sup>^</sup> – two units of IP Cover (a monthly cover amount of \$950)</b>	AND	To age 67; or To age 60	AND	90 days	<ul style="list-style-type: none"> <li>IP Cover will change to benefit payment period of up to five years<sup>1</sup></li> <li>Insurance fees will decrease - see tables on page 7</li> </ul>	<ul style="list-style-type: none"> <li>You can choose to keep your current benefit payment period (either to age 67 or to age 60)<sup>2</sup> by letting us know at <a href="http://keepinsurance.hesta.com.au/keepmycurrentcover/HS/">keepinsurance.hesta.com.au/keepmycurrentcover/HS/</a> before 29 March 2021</li> <li>This election will result in higher insurance fees</li> <li>HESTA super members who move to a benefit payment period of up to five years can also apply to increase their IP Cover to up to 12 units by answering a few health questions - see the next page for further details</li> </ul>
One unit of IP Cover <sup>^</sup> (a monthly cover amount of \$475)	AND	To age 67; or To age 60	AND	90 days		
Extra cover – three or more units of IP Cover (with each unit a monthly cover amount of \$475)	AND	To age 67; or To age 60	AND	90 days	<ul style="list-style-type: none"> <li>The insurance arrangements that a member has chosen will stay the same<sup>2</sup>, unless a new choice is made</li> <li>Insurance fees will increase - see tables on pages 8-9</li> </ul>	<ul style="list-style-type: none"> <li>You can choose to reduce your benefit payment period to up to five years and receive a decrease in insurance fees<sup>1</sup></li> <li>You can make these changes by letting us know at <a href="http://keepinsurance.hesta.com.au/changemycover/HS/">keepinsurance.hesta.com.au/changemycover/HS/</a> before 29 March 2021</li> <li>HESTA super members who move to a benefit payment period of up to five years can also apply to increase their IP Cover to up to 12 units by answering a few health questions - see the next page for further details</li> </ul>
Any monthly cover amount (or any number of units)	AND	To age 67; or To age 60	AND	60 days; or 30 days	<ul style="list-style-type: none"> <li>The insurance arrangements that a member has chosen will stay the same<sup>2</sup>, unless a new choice is made</li> <li>Insurance fees will increase - see tables on pages 8-9</li> </ul>	<ul style="list-style-type: none"> <li>You can choose to reduce your benefit payment period to up to five years and receive a decrease in insurance fees<sup>1</sup></li> <li>You can make these changes by letting us know at <a href="http://keepinsurance.hesta.com.au/changemycover/HS/">keepinsurance.hesta.com.au/changemycover/HS/</a> before 29 March 2021</li> <li>HESTA super members who move to a benefit payment period of up to five years can also apply to increase their IP Cover to up to 12 units by answering a few health questions - see the next page for further details</li> </ul>
Any monthly cover amount (or any number of units)	AND	2 years	AND	90 days; or 60 days; or 30 days	<ul style="list-style-type: none"> <li>The insurance arrangements that a member has chosen will stay the same</li> <li>Insurance fees will increase - see tables on pages 8-9</li> </ul>	<ul style="list-style-type: none"> <li>HESTA super members can also apply to increase their IP Cover to up to 12 units by answering a few health questions - see the next page for further details</li> </ul>

\*Any change made here will be effective from 1 March 2021. <sup>^</sup>Underwritten IP Cover of one or two units with a benefit payment period to age 60 or age 67 and a 90 day waiting period, may result in a different treatment to that described here. If this may be relevant to you, call 1800 813 227 for further details.

<sup>1</sup> Depending on your age group, you should compare the difference in fees between an IP benefit payment period of up to five years and IP benefit payment period to age 67, particularly if you are aged 62 and above.

<sup>2</sup> If you have New Events Cover immediately prior to 1 March 2021 and retain your benefit payment period to age 60 or 67, this will continue according to its terms, or you can apply to remove the restriction by completing a health assessment.

## Other important information

### Who can increase IP Cover to 12 units?

This opportunity only applies to HESTA super members (but not HESTA Personal Super members) who on or after 1 March 2021 will have IP Cover with an IP benefit payment period of:

- up to five years; or
- up to two years.

Until **29 March 2021**, these members can apply to increase their IP Cover up to 12 units (which includes the units currently held) by answering a few health questions. This increased cover will be at an additional cost. If the application is accepted by our insurer, the increased cover will be effective from 1 March 2021. We will confirm this increased cover to you in writing after this date.

You will need to visit [hesta.com.au/insurance-changes](https://hesta.com.au/insurance-changes) and complete and return the form by **29 March 2021**. The maximum IP benefit a member can claim is 85% of their Pre-Disability Income. Before members apply for additional units under this opportunity, they should check that their amount of cover does not exceed 85% of their Pre-Disability Income. Refer to example 3 on page 5 to see how this works.

Any application for cover above 12 units, equivalent to an IP benefit of \$6,000 per month from 1 March 2021, and a Pre-Disability Income of \$84,706 per annum will require an application and a full personal health statement.

### Increased IP monthly benefit payment (i.e. cover per unit)

From 1 March 2021, IP Cover per unit will be increased to \$500 per month (from \$475). The maximum cover remains the same at \$25,000 per month.

IP benefits are limited to 85% of your Pre-Disability Income and a member cannot claim a benefit more than this. Members should consider if this increase in the unit value of IP Cover could result in over-insurance and to adjust insurance cover accordingly so that insurance fees are not paid for a benefit that cannot be claimed. This could be relevant for a member who currently has their IP Cover at the equivalent of 85% of pre-disability income who could consider reducing their number of units.

Members currently with more than 50 units of IP Cover will on 1 March 2021, have their IP Cover automatically reduced to 50 units to limit their maximum cover to \$25,000 per month.

The increase in cover per unit only applies to new IP claims made from 1 March 2021 for events that occur after that date and doesn't apply to current or existing members who are on claim and receiving a benefit at 28 February 2021.

### New Events restriction removal (for HESTA super but not HESTA Personal Super members)

From 1 March 2021, for HESTA super members who were over age 55 when their insurance cover started, the New Events Cover restriction will be removed when the member has been in active employment for two consecutive months at any time after 1 March 2021.

For HESTA super members who were over age 55 when their insurance cover restarted, the New Events Cover restriction that currently applies will be limited to 24 consecutive months from the date the cover restarted. For details of some other general changes to insurance terms, see page 12.

However, if the member has IP Cover from 1 March 2021 that has a benefit payment period to age 60 or to age 67, the New Events Cover restriction will remain on the IP Cover.

### Members who do not currently have insurance

The changes outlined above are important to all members, even if they do not currently have insurance in their super account, as these changes will apply when cover does start, (either by choice or meeting the eligibility criteria) or restart (by meeting the criteria). For more information on when cover commences or restarts, visit [hesta.com.au/pds](https://hesta.com.au/pds). A member can choose for their cover to start at any time via their online account [hesta.com.au/login](https://hesta.com.au/login)

### Members currently in receipt of an IP benefit for events on and after 1 March 2021

Current claims are unaffected by the change to the benefit payment period and the increase in the IP unit value. This is because these changes become effective from 1 March 2021 and if your date of disablement was before that date, your claim is paid on the benefits that you were insured for at the time of your claim.

However, members should be aware that if they are in a category where their IP benefit will be moving to a benefit payment period of up to five years on 1 March 2021, and they have not chosen to keep the current benefit payment period (i.e. to age 60 or to age 67), the benefit payment period of up to five years will apply to any subsequent future claims but not for the claim you are currently receiving. Members can let us know if they wish to retain their current benefit payment period but this results in higher fees once payment of IP fees resumes when benefit payments cease.

For members on IP claim for an illness or injury that occurred before 1 March 2012 (referred to as the previous policy), the changes that apply from 1 March 2021 will only come into effect when the claim under the previous policy has ended, in accordance with the conditions of that previous policy. IP claimants have the same choices being provided to all members on their IP arrangements for future claims. Members who currently have a benefit payment period to two years will keep their existing IP arrangements. Any choice made under these arrangements by 29 March 2021 will be recorded in the member's records for future use and future claims. For further details, please call us on 1800 813 327.

## How do I check my insurance?

To check the insurance you have:

- Log in to your online account at [hesta.com.au/login](https://hesta.com.au/login) to see your current cover or make changes by selecting the insurance option. To work out the number of IP units you currently have, divide your cover amount paid per month by \$475 (which is the cover per unit). Your last annual statement will also show your insurance arrangements on 30 June 2020 but this will not be current if you have made any changes since.
- Think about whether your current cover is right for you. Remember, the changes outlined above are based on your insurance arrangements at 28 February 2021. Any changes to your IP Cover made between now and that date could place you in a different IP category than expected, resulting in a different level of cover and fees payable on 1 March 2021. This is due to differences in automatic changes that apply, which is based on a members' IP category at 28 February 2021. Consider seeking financial advice before making any changes to your cover.

## Explaining insurance cover and fees with some examples

### How are insurance fees calculated?

Insurance cover is provided in units unless you choose fixed cover. Each unit provides a set benefit amount for an insurance fee which is calculated weekly and deducted monthly from your HESTA super or HESTA Personal Super account. Benefit amounts and insurance fees vary depending on your age, occupational scale and how much cover you have. Fees shown here are rounded to two decimal places for presentation purposes. Calculations and fees deducted from your account may differ slightly from those shown here.

Insurance fees for all types of cover are changing from 1 March 2021.

Most of our members have Standard Cover (on a standard occupational classification) which is two units of standard IP Cover and two units of Death Cover. Below is a table showing how these fees will be changing across all age groups.

Age last birthday	Cost per week for two units			
	Insurance up to 28 February 2021 <sup>1</sup>		Insurance from 1 March 2021 <sup>2</sup>	
	Gross insurance fee	Estimated net insurance fee	Gross insurance fee	Estimated net insurance fee
15-24	\$0.82	\$0.70	\$0.86	\$0.73
25-34	\$2.26	\$1.92	\$2.36	\$2.01
35-44	\$6.22	\$5.29	\$6.47	\$5.50
45-54	\$9.06	\$7.70	\$9.32	\$7.92
55-64	\$10.24	\$8.70	\$10.48	\$8.91
65-66	\$2.18	\$1.85	\$2.36	\$2.01
67 - 74 <sup>3</sup>	\$1.22	\$1.04	\$1.41	\$1.20

<sup>1</sup>Standard IP Cover up to 28 February 2021 has a benefit payment period to age 67.

<sup>2</sup>Standard IP Cover from 1 March 2021 will have a benefit payment period of up to five years.

<sup>3</sup>IP Cover stops at age 67. This cost is for two units of Death Cover only.



### Other helpful concepts

#### What is the difference between standard and management occupational classification?

Members are provided cover with the standard occupational fee scale when their insurance cover starts. Members who satisfy certain occupational criteria can apply for management occupational classification which has a lower insurance fee better reflecting their occupational duties.

#### What is the difference between gross and net insurance fees?

Although we are legally required to show the gross cost of each insurance fee, members typically pay the net fee, which is up to 15% less than the gross fee. This is because HESTA can claim a tax deduction for the cost of providing insurance, which we pass on to members, resulting in a lower net insurance fee.

#### What do insurance fees include?

All the fees we show in the tables include stamp duty and taxes. Part of the insurance fee is used to pay insurance administration costs.

We have provided some examples below to help members understand what this means.

## Case Study 1

Meet Aimee, a HESTA super Standard Cover insurance member.

Aimee, aged 43, is a nurse and has Standard Cover of 2 units of IP Cover and 2 units of Death Cover on the standard occupational classification. Standard Cover is the cover eligible members automatically receive if they don't make an alternative insurance choice.

### Example 1: Accepting the change and taking no action

Aimee has considered her insurance needs and is comfortable with her current level of cover, and the change to her IP Cover benefit payment period of up to five years from 1 March 2021. She does not need to take any action. Her total weekly insurance fees will change as follows:

Type of cover	Cost per week for 2 units			
	Insurance up to 28 February 2021		Insurance from 1 March 2021	
	Gross insurance fees	Estimated net insurance fee	Gross insurance fee	Estimated net insurance fee
IP Cover <sup>1</sup>	\$4.08	\$3.47	\$4.02	\$3.42
Death Cover	\$2.14	\$1.82	\$2.45	\$2.08
<b>Total insurance fee per week</b>	<b>\$6.22</b>	<b>\$5.29</b>	<b>\$6.47</b>	<b>\$5.50</b>

<sup>1</sup>Standard IP Cover up to 28 February 2021 provides cover and benefits to age 67 after a 90-day waiting period. From 1 March 2021, this will change to a benefit payment period of up to five years, payable after a 90-day waiting period. Cover ends at age 67.

### Example 2: Taking action to keep the current benefit payment period

While Aimee is comfortable with her current level of cover (to stay at 2 units of IP Cover), she wishes to keep her current IP benefit payment period to age 67. Aimee makes her choice at [keepinsurance.hesta.com.au/keepmycurrentcover/HS/](https://keepinsurance.hesta.com.au/keepmycurrentcover/HS/) in February 2021. Her total weekly insurance fees will change as follows:

Type of cover	Cost per week for 2 units			
	Insurance up to 28 February 2021		Insurance from 1 March 2021	
	Gross insurance fees	Estimated net insurance fee	Gross insurance fee	Estimated net insurance fee
IP Cover	\$4.08	\$3.47	\$9.03	\$7.68
Death Cover	\$2.14	\$1.82	\$2.45	\$2.08
<b>Total insurance fee per week</b>	<b>\$6.22</b>	<b>\$5.29</b>	<b>\$11.48</b>	<b>\$9.76</b>

### Example 3: Taking the opportunity to apply for additional IP units

Aimee earns an annual salary of \$80,000 p.a. including super and before tax. Aimee has considered her insurance needs and is comfortable with the change of her IP Cover benefit payment period of up to five years from 1 March 2021, but is looking to increase her number of IP units. Aimee knows there are limits to the IP benefit she can receive, so before applying she calculates the following:

**Step 1:** Determine 85% of income\* p.a. ( $0.85 \times \$80,000 = \$68,000$ )

**Step 2:** Calculate the maximum monthly benefit ( $\$68,000 \div 12 = \$5,667$ )

**Step 3:** Calculate maximum units per month ( $\$5,667 \div \$500 = 11.33$  units rounded down to 11 total units)

As Aimee already has 2 units of Standard Cover, she can increase her cover by another 9 units (to have 11 units in total) by completing and returning the health questionnaire before 29 March 2021. The increased cover will be effective from 1 March 2021. Every unit of IP Cover will cost Aimee \$2.01 from 1 March 2021 (based on her current age, until her next birthday).

\*Employment income includes employer superannuation contributions and fringe benefits. For full details of the definition, read *Insurance options* at [hesta.com.au/pds](https://hesta.com.au/pds)

## Case Study 2

### Meet Betty, a HESTA super member with customised IP Cover

Betty, aged 46 is a social worker. She currently has 4 units of IP Cover, with a benefit payment period to age 67 and a 60-day waiting period. Betty understands that if she does nothing, her current IP Cover arrangements will stay the same after 1 March 2021 but that will mean paying more.

She therefore decides to change her current IP benefit payment period to five years by making her choice at [keepinsurance.hesta.com.au/changemycover/HS/](https://keepinsurance.hesta.com.au/changemycover/HS/) in February 2021 to decrease her IP fees. As Betty has chosen to change her benefit payment period to five years, she has the opportunity to apply for IP Cover to 12 units which Betty chooses not to take up. Her 4 units of IP Cover and 60-day waiting period remains unchanged. She also keeps her current Death Cover of 2 units.

Type of cover	Cost per week for total units				
	Insurance up to 28 February 2021		Insurance from 1 March 2021		
	Gross insurance fees	Estimated net insurance fee	Gross insurance fee if keeping IP benefit payment period to age 67	Gross insurance fee from changing IP benefit payment period of up to five years	Estimated net insurance fee from changing IP benefit payment period of up to five years
IP Cover	\$16.56	\$14.08	\$36.67	\$16.31	\$13.86
Death Cover	\$2.42	\$2.06	\$2.79	\$2.79	\$2.37
<b>Total insurance fee per week</b>	<b>\$18.98</b>	<b>\$16.13</b>	<b>\$39.46</b>	<b>\$19.10</b>	<b>\$16.24</b>

## Income Protection (IP) Cover insurance fees

Weekly gross and estimated net insurance fee for one unit of IP Cover for the relevant age band and occupational insurance fee scale providing a maximum benefit of \$500 per month. Please note 'Std' refers to Standard Cover and 'Mgmt' refers to Management Cover.

### Benefit payment period of up to five years (cover expiry age of 67)

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.27	0.19	0.34	0.24	0.58	0.40	0.23	0.16	0.29	0.20	0.49	0.34
25-34	0.69	0.48	0.88	0.61	1.48	1.04	0.59	0.41	0.75	0.52	1.26	0.88
35-44	2.01	1.41	2.54	1.78	4.29	3.00	1.71	1.20	2.16	1.51	3.65	2.55
45-54	3.27	2.29	4.08	2.85	6.86	4.80	2.78	1.95	3.47	2.42	5.83	4.08
55-64	3.89	2.73	4.75	3.33	7.97	5.58	3.31	2.32	4.04	2.83	6.77	4.74
65-66	0.48	0.33	0.62	0.44	1.06	0.74	0.41	0.28	0.53	0.37	0.90	0.63

### Benefit payment period of up to five years (cover expiry age of 60)

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.19	0.13	0.25	0.18	0.42	0.30	0.16	0.11	0.21	0.15	0.36	0.26
25-34	0.49	0.34	0.65	0.45	1.08	0.76	0.42	0.29	0.55	0.38	0.92	0.65
35-44	1.41	0.99	1.87	1.31	3.13	2.19	1.20	0.84	1.59	1.11	2.66	1.86
45-54	2.27	1.59	3.00	2.10	5.02	3.51	1.93	1.35	2.55	1.79	4.27	2.98
55-59	2.66	1.86	3.51	2.46	5.84	4.09	2.26	1.58	2.98	2.09	4.96	3.48

**To age 67 benefit payment period**

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.60	0.42	0.77	0.54	1.30	0.91	0.51	0.36	0.65	0.46	1.11	0.77
25-34	1.55	1.08	1.97	1.38	3.33	2.33	1.32	0.92	1.67	1.17	2.83	1.98
35-44	4.52	3.16	5.72	4.00	9.64	6.75	3.84	2.69	4.86	3.40	8.19	5.74
45-54	7.35	5.14	9.17	6.42	15.42	10.80	6.25	4.37	7.79	5.46	13.11	9.18
55-64	8.76	6.13	10.68	7.48	17.93	12.55	7.45	5.21	9.08	6.36	15.24	10.67
65-66	1.07	0.75	1.40	0.98	2.37	1.66	0.91	0.64	1.19	0.83	2.01	1.41

**To age 60 benefit payment period**

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.43	0.30	0.57	0.40	0.95	0.66	0.37	0.26	0.48	0.34	0.81	0.56
25-34	1.09	0.77	1.45	1.02	2.43	1.70	0.93	0.65	1.23	0.87	2.07	1.45
35-44	3.17	2.22	4.21	2.95	7.04	4.93	2.69	1.89	3.58	2.51	5.98	4.19
45-54	5.10	3.57	6.76	4.73	11.28	7.90	4.34	3.03	5.75	4.02	9.59	6.72
55-59	5.97	4.18	7.89	5.52	13.13	9.19	5.07	3.55	6.71	4.69	11.16	7.81

**Benefit payment period of up to two years (cover expiry age 67)**

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.14	0.10	0.20	0.14	0.35	0.24	0.12	0.09	0.17	0.12	0.30	0.20
25-34	0.36	0.25	0.49	0.35	0.89	0.62	0.31	0.21	0.42	0.30	0.76	0.53
35-44	1.04	0.73	1.43	1.00	2.57	1.80	0.88	0.62	1.22	0.85	2.18	1.53
45-54	1.69	1.19	2.31	1.62	4.14	2.90	1.44	1.01	1.96	1.38	3.52	2.47
55-64	2.01	1.41	2.73	1.91	4.84	3.39	1.71	1.20	2.32	1.62	4.11	2.88
65-66	0.25	0.17	0.34	0.24	0.63	0.44	0.21	0.14	0.29	0.20	0.54	0.37



## Benefit payment period of up to two years (cover expiry age of 60)

Age last birthday	Gross fee per unit \$ per week						Estimated net fee per unit \$ per week					
	90 day waiting period		60 day waiting period		30 day waiting period		90 day waiting period		60 day waiting period		30 day waiting period	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15-24	0.10	0.07	0.18	0.12	0.32	0.22	0.09	0.06	0.15	0.10	0.27	0.19
25-34	0.25	0.18	0.45	0.31	0.81	0.57	0.21	0.15	0.38	0.26	0.69	0.48
35-44	0.73	0.51	1.30	0.91	2.34	1.64	0.62	0.43	1.11	0.77	1.99	1.39
45-54	1.20	0.84	2.11	1.48	3.77	2.64	1.02	0.71	1.79	1.26	3.20	2.24
55-59	1.44	1.00	2.50	1.75	4.42	3.09	1.22	0.85	2.13	1.49	3.76	2.63

## Death Cover insurance fees

Age last birthday	Gross fee per unit \$ per week		Estimated net fee per unit \$ per week	
	Standard Cover	Management Cover	Standard Cover	Management Cover
15 - 24	0.17	0.12	0.14	0.10
25 - 34	0.49	0.35	0.42	0.30
35 - 44	1.23	0.86	1.05	0.73
45 - 54	1.39	0.98	1.18	0.83
55 - 64	1.35	0.94	1.15	0.80
65 - 74	0.70	0.49	0.60	0.42

## Lump-sum TPD Cover insurance fees - unitised cover

Age last birthday	Lump sum TPD 'Any Occupation'				Lump sum TPD 'Own Occupation' (legacy cover only)*			
	Gross fee per unit \$ per week		Estimated net fee per unit \$ per week		Gross fee per unit \$ per week		Estimated net fee per unit \$ per week	
	Standard Cover	Mgmt Cover	Standard Cover	Mgmt Cover	Standard Cover	Mgmt Cover	Standard Cover	Mgmt Cover
15 - 34	0.73	0.51	0.62	0.43	0.86	0.60	0.73	0.51
35 - 69	1.57	1.10	1.33	0.94	1.86	1.30	1.58	1.11

Please note: 'Mgmt' denotes Management

\* 'Own occupation' relates to members covered for TPD prior to 1 July 2014. For further details, refer to the PDS at [hesta.com.au/pds](https://www.hesta.com.au/pds)

## Fixed cover insurance fees

Insurance fee per week per \$1,000 sum insured.

Age last birthday	Gross Death \$		Gross Lump sum TPD \$ ('Any Occupation')		Gross Lump sum TPD \$ 'Own Occupation' (legacy cover only)*		Estimated net Death \$		Estimated net Lump sum TPD \$ ('Any Occupation')		Estimated net Lump sum TPD \$ 'Own Occupation' (legacy cover only)*	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
15	0.0138	0.0097	0.0031	0.0021	0.0037	0.0026	0.0117	0.0082	0.0026	0.0018	0.0031	0.0022
16	0.0138	0.0097	0.0031	0.0021	0.0037	0.0026	0.0117	0.0082	0.0026	0.0018	0.0031	0.0022
17	0.0138	0.0097	0.0031	0.0021	0.0037	0.0026	0.0117	0.0082	0.0026	0.0018	0.0031	0.0022
18	0.0138	0.0097	0.0031	0.0021	0.0037	0.0026	0.0117	0.0082	0.0026	0.0018	0.0031	0.0022
19	0.0138	0.0097	0.0031	0.0021	0.0037	0.0026	0.0117	0.0082	0.0026	0.0018	0.0031	0.0022
20	0.0132	0.0093	0.0034	0.0023	0.0039	0.0027	0.0112	0.0079	0.0029	0.0020	0.0033	0.0023
21	0.0126	0.0089	0.0038	0.0026	0.0043	0.0031	0.0107	0.0076	0.0032	0.0022	0.0037	0.0026
22	0.0116	0.0082	0.0038	0.0026	0.0046	0.0033	0.0099	0.0070	0.0032	0.0022	0.0039	0.0028
23	0.0109	0.0076	0.0041	0.0030	0.0050	0.0035	0.0093	0.0065	0.0035	0.0026	0.0043	0.0030
24	0.0101	0.0072	0.0042	0.0030	0.0051	0.0035	0.0086	0.0061	0.0036	0.0026	0.0043	0.0030
25	0.0093	0.0065	0.0043	0.0031	0.0052	0.0036	0.0079	0.0055	0.0037	0.0026	0.0044	0.0031
26	0.0090	0.0063	0.0046	0.0033	0.0054	0.0038	0.0077	0.0054	0.0039	0.0028	0.0046	0.0032
27	0.0088	0.0060	0.0050	0.0035	0.0058	0.0041	0.0075	0.0051	0.0043	0.0030	0.0049	0.0035
28	0.0086	0.0060	0.0055	0.0038	0.0064	0.0044	0.0073	0.0051	0.0047	0.0032	0.0054	0.0037
29	0.0086	0.0060	0.0059	0.0041	0.0072	0.0051	0.0073	0.0051	0.0050	0.0035	0.0061	0.0043
30	0.0088	0.0060	0.0069	0.0048	0.0081	0.0057	0.0075	0.0051	0.0059	0.0041	0.0069	0.0048
31	0.0090	0.0063	0.0076	0.0054	0.0090	0.0063	0.0077	0.0054	0.0065	0.0046	0.0077	0.0054
32	0.0092	0.0064	0.0088	0.0061	0.0102	0.0072	0.0078	0.0054	0.0075	0.0052	0.0087	0.0061
33	0.0099	0.0069	0.0101	0.0071	0.0119	0.0083	0.0084	0.0059	0.0086	0.0060	0.0101	0.0071
34	0.0106	0.0074	0.0114	0.0080	0.0136	0.0095	0.0090	0.0063	0.0097	0.0068	0.0116	0.0081
35	0.0113	0.0079	0.0131	0.0092	0.0154	0.0108	0.0096	0.0067	0.0111	0.0078	0.0131	0.0092
36	0.0123	0.0085	0.0149	0.0105	0.0177	0.0125	0.0105	0.0072	0.0127	0.0089	0.0150	0.0106
37	0.0129	0.0091	0.0174	0.0121	0.0204	0.0143	0.0110	0.0077	0.0148	0.0103	0.0173	0.0122
38	0.0139	0.0098	0.0200	0.0139	0.0237	0.0166	0.0118	0.0083	0.0170	0.0118	0.0201	0.0141
39	0.0151	0.0106	0.0232	0.0163	0.0273	0.0191	0.0128	0.0090	0.0197	0.0139	0.0232	0.0162
40	0.0166	0.0115	0.0271	0.0190	0.0321	0.0225	0.0141	0.0098	0.0230	0.0162	0.0273	0.0191
41	0.0181	0.0126	0.0315	0.0220	0.0371	0.0260	0.0154	0.0107	0.0268	0.0187	0.0315	0.0221
42	0.0192	0.0135	0.0357	0.0250	0.0422	0.0295	0.0163	0.0115	0.0303	0.0213	0.0359	0.0251
43	0.0203	0.0142	0.0404	0.0282	0.0475	0.0333	0.0173	0.0121	0.0343	0.0240	0.0404	0.0283

Please note 'Std' refers to Standard Cover and 'Mgmt' refers to Management Cover.

\*'Own occupation' relates to members covered for TPD prior to 1 July 2014. For further details, refer to the PDS at [hesta.com.au/pds](https://hesta.com.au/pds)

Age last birthday	Gross Death \$		Gross Lump sum TPD \$ ('Any Occupation')		Gross Lump sum TPD \$ 'Own Occupation' (legacy cover only)*		Estimated net Death \$		Estimated net Lump sum TPD \$ ('Any Occupation')		Estimated net Lump sum TPD \$ 'Own Occupation' (legacy cover only)*	
	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt	Std	Mgmt
44	0.0214	0.0150	0.0450	0.0315	0.0531	0.0372	0.0182	0.0128	0.0383	0.0268	0.0451	0.0316
45	0.0225	0.0158	0.0502	0.0352	0.0593	0.0415	0.0191	0.0134	0.0427	0.0299	0.0504	0.0353
46	0.0238	0.0167	0.0564	0.0395	0.0664	0.0465	0.0202	0.0142	0.0479	0.0336	0.0564	0.0395
47	0.0255	0.0179	0.0640	0.0448	0.0754	0.0528	0.0217	0.0152	0.0544	0.0381	0.0641	0.0449
48	0.0271	0.0190	0.0731	0.0511	0.0864	0.0605	0.0230	0.0162	0.0621	0.0434	0.0734	0.0514
49	0.0294	0.0206	0.0840	0.0588	0.0992	0.0694	0.0250	0.0175	0.0714	0.0500	0.0843	0.0590
50	0.0321	0.0224	0.0960	0.0672	0.1134	0.0793	0.0273	0.0190	0.0816	0.0571	0.0964	0.0674
51	0.0352	0.0246	0.1090	0.0763	0.1287	0.0901	0.0299	0.0209	0.0927	0.0649	0.1094	0.0766
52	0.0385	0.0268	0.1228	0.0859	0.1447	0.1013	0.0327	0.0228	0.1044	0.0730	0.1230	0.0861
53	0.0418	0.0292	0.1374	0.0962	0.1622	0.1135	0.0355	0.0248	0.1168	0.0818	0.1379	0.0965
54	0.0453	0.0316	0.1516	0.1061	0.1790	0.1253	0.0385	0.0269	0.1289	0.0902	0.1522	0.1065
55	0.0489	0.0343	0.1653	0.1157	0.1950	0.1365	0.0416	0.0292	0.1405	0.0983	0.1658	0.1160
56	0.0529	0.0370	0.1799	0.1259	0.2122	0.1485	0.0450	0.0315	0.1529	0.1070	0.1804	0.1262
57	0.0574	0.0400	0.1955	0.1368	0.2307	0.1615	0.0488	0.0340	0.1662	0.1163	0.1961	0.1373
58	0.0618	0.0433	0.2122	0.1485	0.2504	0.1753	0.0525	0.0368	0.1804	0.1262	0.2128	0.1490
59	0.0668	0.0467	0.2303	0.1612	0.2718	0.1903	0.0568	0.0397	0.1958	0.1370	0.2310	0.1618
60	0.0722	0.0505	0.2507	0.1755	0.2957	0.2070	0.0614	0.0429	0.2131	0.1492	0.2513	0.1760
61	0.0784	0.0549	0.2745	0.1922	0.3238	0.2266	0.0666	0.0467	0.2333	0.1634	0.2752	0.1926
62	0.0859	0.0601	0.3028	0.2119	0.3572	0.2501	0.0730	0.0511	0.2574	0.1801	0.3036	0.2126
63	0.0947	0.0662	0.3360	0.2353	0.3967	0.2777	0.0805	0.0563	0.2856	0.2000	0.3372	0.2360
64	0.1045	0.0732	0.3739	0.2617	0.4411	0.3088	0.0888	0.0622	0.3178	0.2224	0.3749	0.2625
65	0.1515	0.1061	0.4168	0.2917	0.4918	0.3442	0.1288	0.0902	0.3543	0.2479	0.4180	0.2926
66	0.1741	0.1219	0.4661	0.3263	0.5501	0.3851	0.1480	0.1036	0.3962	0.2774	0.4676	0.3273
67	0.2004	0.1403	0.5233	0.3664	0.6176	0.4323	0.1703	0.1193	0.4448	0.3114	0.5250	0.3675
68	0.2297	0.1607	0.5917	0.4142	0.6981	0.4887	0.1952	0.1366	0.5029	0.3521	0.5934	0.4154
69	0.2613	0.1829	0.6741	0.4719	0.7955	0.5568	0.2221	0.1555	0.5730	0.4011	0.6762	0.4733
70	0.2613	0.1829					0.2221	0.1555				
71	0.2613	0.1829					0.2221	0.1555				
72	0.2613	0.1829					0.2221	0.1555				
73	0.2613	0.1829					0.2221	0.1555				
74	0.2613	0.1829					0.2221	0.1555				

Please note 'Std' refers to Standard Cover and 'Mgmt' refers to Management Cover.

\*'Own occupation' relates to members covered for TPD prior to 1 July 2014. For further details, refer to the PDS at [hesta.com.au/pds](https://hesta.com.au/pds)

## Details of changes to general terms

### From 1 March 2021, the following changes to insurance policies will also apply to HESTA super (but not HESTA Personal Super) members:

- **Standard Extra Cover:** new members of HESTA super who after 1 March 2021 choose Standard Cover to commence within 90 days of joining can at the same time apply for:
  - up to 10 additional units of IP Cover with a benefit payment period of up to five years and a 90 day waiting period; and
  - up to 10 additional units of Death Cover

giving a maximum of 12 units of each cover type by completing a short form personal health statement. Previously this was a maximum of six units, and the new member had up to six months to apply for the additional cover.

- **New Events Cover restriction for HESTA super members aged 55 or more:** eligible members aged 55 or more whose cover commences after 1 March 2021, will have Standard Cover with a New Events restriction until they are in Active Employment (see definition below) for 30 consecutive days. The New Events restriction that previously applied continuously to members aged over 55 has been removed.

If you are an existing member whose cover commenced on or after age 55, and before 1 March 2021, the New Events restriction will be removed from any Standard Cover you have once you have been in Active Employment\* for two consecutive months.

However, if your Income Protection benefit payment period from 1 March 2021 is to age 60 or to age 67, then the New Events Cover restriction that applied to your Standard IP Cover before 1 March 2021 will continue to apply.

If your cover stopped and restarted, the New Events restriction on your cover will be removed 24 months after the date the cover restarted. Previously HESTA super members who were aged over 55 could only remove the New Events restriction with full underwriting.

### From 1 March 2021, the following changes to insurance policies will apply to all members:

- **Active Employment Definition (Death and IP Cover):** the definition has been simplified without altering the meaning. Active Employment means you are actively performing all of the usual identifiable duties and hours of the occupation from which you earn your regular income; and are not restricted by injury or illness from being capable of actively performing those identifiable duties and any other duties of your usual occupation on a full-time basis (even if not then working on a full-time basis) without restriction due to injury or illness. You will be considered to be in Active Employment if you are on employer approved leave for reasons other than injury or sickness, and not taking into account the leave, are able to meet the Active Employment definition.  
If you are not employed, or are self-employed, your usual occupation means the last occupation from which you earned an income; or domestic duties if you were engaged in domestic duties on a full-time basis.  
Full-time basis means working at least 35 hours per week.
- **Concurrent Disability Definition (IP Cover only):** the updated definition will combine the previous separate definitions for a member's employment status when assessing multiple claimed conditions. Where a member is on claim for one injury or illness, and the member suffers another unrelated injury or illness for which they could claim IP benefits, the insurer will only pay benefits for one injury or illness at a time. If the claim for the first claimed condition ends, the insurer will assess the new claim based on the employment status the member had for the first claimed condition. This simplifies the definition for whether members are gainfully employed at the time of claim, or not. Previously the definition separately defined both gainfully employed and unemployed members which was overly complex.
- **Pre-disability Income definition (IP Cover only):** the definition has been simplified to align the definition that applies to members who are gainfully employed and those who are not, to consider the last 12 months of employment income.
- **Accident Definition:** the updated definition further clarifies what external and unexpected means, where the accident cannot be related to any pre-existing mental or physical condition.
- **Waiting Period (IP Cover only):** the waiting period will only restart if you return to work at full capacity, not partial capacity. Previously the waiting period would restart if you returned to work for more than five days in any capacity. To meet the partial disability definition, you still need to meet the 7 out of 12 consecutive days of total disability from the start of the waiting period.
- **TPD Definition:** the definition of Total and Permanent Disability has been updated to align with the requirements in the Insurance in Superannuation Voluntary Code of Practice and to meet ASIC requirements that super funds remove the more onerous 'Loss of Independent Existence' clause which applied to members who were not employed immediately before their date of disablement. In order to improve and standardise the Total and Permanent Disability definitions the 'Loss of Independent Existence' definition has been removed and 'Activities of Daily Work' has been extended to members regardless of their employment status. The 'Cognitive Loss' definition has also been removed, but is still covered under the 'Day 1 TPD' definition.
- **Pregnancy Exclusion Definition (IP Cover only):** the definition has been amended to improve clarity that the exclusion relates only to 'normal pregnancy or childbirth' meaning uncomplicated pregnancy or childbirth. This includes multiple pregnancy, caesarean birth, participation in in-vitro fertilisation or other medically assisted fertilisation techniques and normal discomforts of pregnancy, such as morning sickness, backache, varicose veins, ankle swelling and bladder problems. Any complications from pregnancy are now covered as long as the applicable waiting periods and policy terms are met. Previously any condition related to pregnancy, including complications of pregnancy, was excluded unless the pregnancy had ended and the disability or illness continued for more than 90 days after the pregnancy had ended.