

# DISABILITY INCOME PROTECTION

TotalCareMax

Life. Take charge.

[sovereign.co.nz](https://sovereign.co.nz)

# TOTALCAREMAX DISABILITY INCOME PROTECTION BENEFITS

Built-in feature	How it works	Why it's important
<b>Total Disability Income Benefit</b>	Can provide you with a monthly payment if you are unable to work, due to illness or injury, for more than ten hours a week.	Keeping your stress levels low can be important during times when health is a concern. Financial support for monthly bills can help with this, allowing you to focus on your recovery.
<b>Partial Disability Income Benefit</b>	To help you to make the transition between total disablement and a return to work.	Not everybody who gets sick can go from being totally disabled to back to work in one seamless move. For those people who can't, partial disability payments are there to make the process a little easier.
<b>Advance Payment Incentive</b>	If your claim is accepted by Sovereign within the waiting period, you can receive half of your first month's benefit at the end of the waiting period.	This benefit recognises that to go without an income during a waiting period can cause undue stress.
<b>Enhanced Partial Disability Income Benefit</b>	You may be eligible for a monthly top-up payment, paid for up to 12 months while on claim.	It may well be an expensive time, which is why we try to ease the transition with an enhanced payment for 12 months.
<b>Recurrent Disablement Benefit</b>	Should you suffer a recurrence of the same disability within six months (or 12 months for Premier Cover) of your benefit ceasing, we will waive the waiting period.	If you have a relapse of your disability, it will not disadvantage you as eligibility for the benefit starts immediately.
<b>Vocational Retraining Benefit</b>	Provides funding for Sovereign-approved retraining programmes.	This benefit can help you retrain to return to work.
<b>Rehabilitation Expense Benefit</b>	A lump sum of up to six times your monthly benefit is available to pay for approved specialised equipment or home alterations.	Improving your quality of life after a claim event can be costly. You may qualify for financial assistance.
<b>Bed Confinement Benefit</b>	If you are confined to bed during the waiting period, at home or in a hospital, and under full-time care, you could be eligible for a benefit payment for each complete 24-hour period (Premier Cover pays from the first day) after the first 72 hours of bed confinement.	This benefit can ease additional costs that may be incurred during the waiting period.
<b>Leave Without Pay Benefit</b>	If you become totally disabled while on leave without pay due to maternity, paternity or work sabbatical for 12 months or less, we will pay your benefit entitlement.	You are not prevented from making a claim because of short-term changes to your employment status.
<b>Suspension of Cover Benefit</b>	Should you go on parental leave, sabbatical leave, study leave or leave without pay, you can apply to us to suspend your cover.	This allows you to keep your income protection policy intact and ready to reinstate upon your return to work, without having to reapply for cover.

Built-in feature	How it works	Why it's important
<b>Back to Work Payment</b>	If you return to work between 12 and 24 months after claiming, you could receive a lump-sum payment equal to three times your monthly benefit claim amount.	Returning to work can have a positive effect on your life and confidence, and the financial assistance of a lump sum can provide a real added boost.
<b>Future Insurability Benefit</b>	Allows the insured person to increase their sum assured without having to provide further medical evidence. (Applies only to benefits which are not CPI linked.)	Your income is not set in stone; you may get a pay rise and need to increase your cover, so we make it easy for you to apply for additional cover.

Optional features	How it works	Why it's important
<b>Claim Indexation Benefit</b>	Your benefit amount will increase every year, by the same percentage as the Consumer Price Index (CPI).	This keeps your claim payments in line with the increase in inflation each year.
<b>Mental Health Limitation</b>	If you are totally disabled as a result of a mental health disorder, you may claim for a maximum of two years.	This allows you to reduce your premium as mental health disorders can be hard to assess.

Extra premier cover option only features	How it works	Why it's important
<b>Extra Cash Benefit</b>	Available as an optional addition to Disability Income Protection; it provides a benefit payment equivalent to one-third of the monthly benefit for three months.	These options provide a little more money in a variety of circumstances, to lessen the impact of being disabled.
<b>Permanent Disablement Benefit</b>	Available as an optional addition to Disability Income Protection; it provides a benefit payment equivalent to one-third of the monthly benefit.	
<b>Home Care Benefit</b>	Available as an optional addition to Disability Income Protection; it provides a benefit payment to cover the services of a carer.	
<b>Bereavement Grant</b>	Available as an optional addition to Disability Income Protection; it provides a benefit payment for three times the monthly Total Disability Income Benefit if the life assured dies while on a total disability claim.	



# OPTIONAL ADD-ON BENEFITS

## You can choose to extend your Disability Income Protection cover with the following options:

**Premier Cover:** Provides a number of extended benefits, as outlined in the benefit table.

**Redundancy Cover:** Can provide you with an income for a six month period if you are made redundant. Sovereign will not pay a benefit if you are made redundant within six months of your cover commencing.

**Retirement Protection:** Helps you to continue to make your KiwiSaver contributions while you are on a total disability claim. It pays an agreed contribution directly to Inland Revenue and also enables you to continue receiving the member tax credits.

**Specialist and Diagnostic Testing:** Gives you the freedom to select the best specialist available and helps you to avoid a long wait for essential treatment. This benefit is designed to pay for your specialist consultations, such as oncologist and cardiologist consultations, as well as diagnostic procedures such as MRI and CT scans. It covers up to \$3,000 per life assured, per policy year. It also provides access to Best Doctors®.\*



\*Best Doctors is a trademark of Best Doctors Inc., in the United States and other countries, and is used under licence.

# WHY INSURE YOUR INCOME?

## We appreciate how important your income can be.

Whether you are independent or have a family, your ability to earn is an asset worth protecting, because we believe if your health were to suffer a setback, your finances and lifestyle shouldn't have to.

## What is Disability Income Protection?

Disability Income Protection can provide you with a monthly payment if you are unable to work due to sickness or injury.

## What does it offer me?

### Types of cover:

**Agreed Value:** This benefit provides a fixed level of monthly cover which is agreed at the time the policy is set up. The maximum amount you can insure is set at 55% of your gross income less offsets.

**Indemnity:** The benefit is calculated as a proportion of income at the time you make a claim. It pays the *lesser* of the monthly insured benefit or 75% of your earnings prior to going on claim less offsets.

**Loss of Earnings:** This benefit pays an enhanced indemnity benefit. It pays the *greater* of the monthly insured benefit or 75% of your earnings prior to going on claim (subject to the maximum monthly benefit).

**Waiting periods:** You have a choice of seven waiting periods, before you receive the benefit: 2, 4, 8, 13, 26, 52 or 104 weeks.

**Benefit payment periods:** The benefit payment period – the amount of time you receive the benefit – can be for one, two or five years or to age 65 or 70.

**Worldwide Cover:** Provides cover anywhere in the world, 24 hours a day.

**Waiver of Premium:** Removes the burden of paying premiums when you are unable to work due to total disability, saving you money when you need it most. (This benefit must be taken with your Disability Income Protection policy).

The benefit amount payable may be subject to information received at claim time and payments may reduce by other income received. Please refer to our policy wording for more details.

## Did you know?

In 2013,

# 24%

of the New Zealand population were identified as disabled<sup>1</sup>

# STROKE

is the major cause of

# ADULT DISABILITY

in New Zealand<sup>2</sup>

Source

<sup>1</sup> 2013 Disability Survey, Statistics New Zealand, 2013

<sup>2</sup> The Stroke Foundation of New Zealand, 2014





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SOVEREIGN LIFE

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