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| [HEADING]  Do life insurers really pay claims?  [SUBHEADING]  It’s natural to wonder if insurance would really help protect your loved ones in their time of need. |

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There’s a common belief that life insurance companies will do everything they can to avoid paying claims. But the statistics show something different.

A massive 98% of life insurance claims through super were paid in 2021, as were 89% of total and permanent disablement claims through super, according to [Australian Prudential Regulation Authority](https://www.apra.gov.au/sites/default/files/2022-04/Life%20Insurance%20Claims%20and%20Disputes%20Statistics%20December%202021.pdf) (APRA) data.[[1]](#footnote-1)

You can be confident that your family will not be left in the lurch so long as:

* you truthfully disclosed all relevant information when you applied for cover, and
* you’re covered for the condition the claim is for.

## Will I still be covered if my health changes?

Once your cover starts, what you’re covered for under your life insurance won’t change – even if your health deteriorates.

In fact, you don’t even need to tell your insurer about changes to your health unless you intend to make a claim.

## Why are some claims declined?

Here are the main reasons why life insurers decline a small percentage of claims:

* the claim is specifically excluded based on the policy (for instance, due to a pre-existing medical condition)
* the claim is fraudulent
* the insured person hasn’t disclosed a pre-existing medical condition. In this case, the insurer will generally consider things such as what the person’s condition is and whether that condition is related to the claim.

## How can I better protect my family?

As we’ve mentioned, so long as you gave full, truthful answers when you first applied for insurance and you are covered for the condition you claimed for, your family is very likely to be paid within two months of claiming.

There are a couple of things you can do to make sure the claims process is as stress-free as possible:

* keep us up to date with your current contact details
* regularly review your insurance to make sure it still meets the needs of you and your family.

[CALL OUT BOX]

## If you have any questions, get in touch

If you’re not sure about what your policy covers or you are worried you may not have disclosed something that may be relevant, get in touch. We’re here to help protect your family. Call us on <<phone number>>.

[CALL OUT QUOTE]

*“A massive 98% of life insurance claims through super were paid in 2021, according to APRA.”*

**Linked In post**

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| **Section** |  |
| **Introduction** | One of the biggest myths about life insurance is that insurers make it difficult to claim when something goes wrong. |
| **Body** | So here’s the good news: Australian insurers paid a whopping 98% of all life insurance claims made through super in 2021 and 96% of income protection (IP) claims, according to [figures](https://mcas-proxyweb.mcas.ms/certificate-checker?login=false&originalUrl=https%3A%2F%2Fwww.apra.gov.au.mcas.ms%2Fsites%2Fdefault%2Ffiles%2F2022-04%2FLife%2520Insurance%2520Claims%2520and%2520Disputes%2520Statistics%2520December%25202021.pdf%3FMcasTsid%3D20892&McasCSRF=74570d8110a8bd33a810ee4f74dbb6dfd46ec395be94f3a660a9b590b813fb9c&McasTsid=20892) from the Australian Prudential Regulation Authority (APRA).2  In the same year, insurers paid 86% of total and permanent disablement (TPD) claims made through super.  You also won’t be waiting forever for a payout. In 2021, life cover claims made through insurance in super were processed within a month, on average.    Income protection claims averaged 2.2 months, according to APRA data used on the government’s [Moneysmart](https://mcas-proxyweb.mcas.ms/certificate-checker?login=false&originalUrl=https%3A%2F%2Fmoneysmart.gov.au.mcas.ms%2Fhow-life-insurance-works%2Flife-insurance-claims-comparison-tool%3FMcasTsid%3D20892&McasCSRF=74570d8110a8bd33a810ee4f74dbb6dfd46ec395be94f3a660a9b590b813fb9c&McasTsid=20892) website.4    Here’s more good news: once you start your life insurance cover, you’ll still be covered if your health gets worse.    Only a small percentage of claims are not paid out.  In most cases, it was because the claim didn’t meet the insurance contract or was for a condition that was excluded from the person’s insurance policy. If it’s income protection or TPD claims, they may not have met a requirement for working a minimum number of hours or served the waiting period. |
| **CTA** | To learn more, read our full article <here>. |

**Social Post**

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| **Section** |  |
| **Introduction** | Myth: Insurers make it difficult to claim when something goes wrong. |
| **Body** | Fact: Australian insurers paid a whopping 98% of all life insurance claims made through super in 2021 and 96% of income protection (IP) claims, according to APRA data. |
| **CTA** | Click <here> for more information – including key facts and figures! |

1. APRA, [*Life Insurance Claims and Disputes Statistics December 2021*](https://www.apra.gov.au/sites/default/files/2022-04/Life%20Insurance%20Claims%20and%20Disputes%20Statistics%20December%202021.pdf), issued 19 April 2022, accessed 8 September 2022. [↑](#footnote-ref-1)