

Personal Accident Insurance | Frequently Asked Questions

1. WHAT IS PERSONAL ACCIDENT INSURANCE?

Personal Accident insurance is comprised of two main sections of cover in the event you suffer an unforeseen injury or become ill and you are unable to work for a period of time.

Section of Cover	Type of Benefit
Permanent Disability or Death	Lump Sum Benefit
Temporary Total Disablement due to Sickness or Injury	Weekly Benefit

Coverage offered through BMS Group protects you 24 hours a day, 365 days a year and includes weekly benefits for temporary disability or sickness.

You do not need to be conducting your business activities for coverage to apply; it is important to note that high risk activities and professional sports are excluded. This coverage is designed for unforeseen events and previously undiagnosed conditions.

2. HOW IS PERSONAL ACCIDENT INSURANCE DIFFERENT TO INCOME PROTECTION INSURANCE?

Feature	Income Protection	Personal Accident Insurance
What type of coverage is provided?	Replaces part of your income if you're unable to perform duties of your occupation for a range of illnesses/conditions	Replaces up to 85% of your income in the event of accidental injury or temporary sickness
Does it provide short term or long term cover?	Long term	Short to medium term
Can it be cancelled by the insurer?	Policy cannot be cancelled by life insurance company. Policies are guaranteed renewable (cannot be cancelled and premiums cannot be increased)	Policy can be cancelled, or renewal declined if there are changes to policyholders health or occupation
Excess Period	Generally there is an excess period of up to 90 days, meaning no benefit is payable for the first 90 days of the claim.	An excess period of 7 days applies, meaning no benefit is payable for the first 7 days of a claim period.
Maximum benefit length	Benefit may be paid up to the age of 65	Benefit payment is capped at 104 weeks
Who provides this policy?	Income protection policies are provided by life insurance companies	Personal Accident insurance is issued by CGU Insurance through Accident & Health International
Are you paid out a predetermined value or is it based on what you earn?	Benefit payment may be indemnity (based on income from previous 12 months) or agreed value (determined at time of application)	Weekly Benefit payments are based on income declarations for the previous 12 months. Lump Sum Benefits are up to the agreed value

3. IF I USE THE BEST DOCTORS SERVICE, WILL MY INFORMATION BE KEPT CONFIDENTIAL?

Like any Medical Service Provider, the *Best Doctors* Service will keep your information confidential. There may be an instance where an insurer requires medical records and in this event, a Medical Provider is legally obligated to provide this information; as is the case with any provider, including your local GP.

4. DOES PERSONAL ACCIDENT INSURANCE REPLACE THE COVER UNDER MY EMPLOYER'S WORKERS COMPENSATION POLICY?

Workers Compensation legislation differs per state, however in most cases, Workers Compensation covers you for injury that occurs only whilst conducting your professional services under your employer and during business hours only. As an employee covered under a Workers Compensation program, you may have no cover for:

- Injury occurring outside of business hours
- Sickness sustained outside of your place of employment
- Your commute to and from work
- Activities not relating to your professional services

Personal Accident is not intended to replace a Workers Compensation Policy, but to protect you for circumstances that fall outside of your Workers Compensation coverage. Where you are a business owner, sole trader or contractor; it is likely that you have no workers compensation coverage and will require Personal Accident coverage as an alternative.

Any Personal Accident claim will be reducible by any eligible Workers Compensation Coverage.

5. IS COVERAGE LIMITED TO INJURY ONLY?

No. Personal Accident Coverage offered through BMS Group provides coverage for:

- Permanent Disability or death resulting from an Accidental Injury
- Temporary Total Disablement resulting from Accidental Injury or Sickness
- Temporary Partial Disablement resulting from Accidental Injury

6. WHAT IS THE MAXIMUM BENEFIT PERIOD FOR WEEKLY INJURY OR SICKNESS?

The Weekly Benefit period is provided for up to 104 weeks.

7. IS THERE AN EXCESS ON THE POLICY?

Whilst there is no dollar excess amount payable at the time of a claim, there is a "time excess" applicable to any Weekly Benefit claim of 7 days. This means that for the first 7 days after an insurable injury or illness is sustained, no benefit will be payable.

8. WHAT LEVELS OF COVERAGE ARE AVAILABLE?

	Option 1	Option 2	Option 3
Permanent Disability or Death (lump sum benefit)	\$100,000	\$200,000	\$300,000
Temporary Total Disablement (TTD) due to sickness or injury (weekly benefit)	85% of weekly salary up to \$1,000	85% of weekly salary up to \$2,000	85% of weekly salary up to \$3,000
Temporary Partial Disablement (TPD) due to injury (weekly benefit)	25% of the TTD benefit	25% of the TTD benefit	25% of the TTD benefit
Benefit Period	up to 104 weeks	up to 104 weeks	up to 104 weeks
Excess Period	7 Days	7 Days	7 Days
Premiums from	\$600 + charges	\$960 + charges	\$1,440 + charges

Claim Scenario 1 – Temporary Total Disablement and Permanent Total Disablement (Injury)

The insured Natural Therapist suffers a serious back injury in a car accident as well as cuts and bruises. The insured Natural Therapist is totally disabled and is unable to work for 26 weeks. It gradually emerges during this period that they may not be able to ever work again in an occupation for which they are suited by education, training and experience, and 12 months after the date of the accident a Medical Practitioner certifies Permanent Total Disablement of the insured Natural Therapist.

The insured Natural Therapist is listed on the policy with a Weekly Benefit of 85% of Earnings to a maximum \$1,000 per week and a Capital Benefit of \$100,000. The Excess Period is 7 days.

How much the Insurer pays	How much Insurer pays - Explanation
Amount of claim for Temporary Total Disablement 26 weeks = \$26,000.	Proof is supplied confirming Earnings are more than \$1,000 per week. We pay the lesser of 85% of actual Earnings or the Weekly Benefit. Weekly Benefit \$1,000 x 26 weeks = \$26,000.
Less 7 Day Excess Period expressed as an amount = \$1,000.	This is deducted from the Temporary Total Disablement benefit.
Sub-total for Temporary Total Disablement	\$25,000
The Capital benefit is \$100,000.	Permanent Total Disablement has a benefit of 100% of the Capital Benefit amount.
Sub-total for Permanent Total Disablement \$100,000.	Payable to the insured Natural Therapist for Permanent Total Disablement. Once this is paid all Benefits under the policy cease.
Total claim payment is \$125,000.	Temporary Total Disablement is paid weekly or fortnightly in arrears and the Permanent Total Disablement is paid once the medical practitioners have assessed, and we agree, that the insured Natural Therapist is permanently disabled. Normally this occurs 12 months after the date of the Injury. Temporary Total Disablement: In some circumstances we are liable to deduct pay as you go (PAYG) withholding tax from weekly benefit payments which would reduce this amount.

Claim Scenario 2 – Temporary Total Disablement and Temporary Partial Disablement (Injury)

The insured OHT is walking their dog on the weekend; they are suddenly pulled off their feet and sustain an injury to their knee which requires an operation to repair the damage. The insured OHT is partially disabled from the date of injury until the operation 27 weeks later. The surgeon who carried out the operation certifies the insured OHT is totally disabled for 6 weeks following the operation to allow the insured OHT to regain full use of the knee. The insured OHT is listed on the policy with a Weekly Benefit of 85% of Earnings to a maximum of \$2,000 per week. Temporary Partial Disablement is 25% of the Temporary Total Disablement Benefit. The Excess Period is 7 days.

How much the Insurer pays	How much the Insurer pays - Explanation
Amount of claim for Temporary Partial Disablement 27 weeks = \$13,500.	Proof is supplied confirming earnings are more than \$2,000 pw. For Temporary Partial Disablement we pay 25% the lesser of 85% of the actual Earnings or the Weekly Benefit. Weekly Benefit \$2,000 x 27 weeks x 25% = \$13,500.
Less 7 Day Excess Period expressed as an amount = \$500.	This is deducted from the Temporary Partial Disablement benefit.
Sub-total for Temporary Partial Disablement	\$13,000
Amount of claim for Temporary Total Disablement 6 weeks = \$12,000. The Excess Period is not applied again as it was the same Injury and disablement was within 6 months of the end of the first period of disablement.	Proof is supplied confirming Earnings are more than \$2,000 per week. We pay the lesser of 85% of actual Earnings or the Weekly Benefit. The lesser amount is the Weekly Benefit. Weekly Benefit \$2,000 x 6 weeks = \$12,000.
Sub-total for Temporary Total Disablement	\$12,000
Total claim payment is \$24,500.	Temporary Partial and Temporary Total Disablement payments are paid weekly or fortnightly in arrears. Temporary Total Disablement: In some circumstances we are liable to deduct pay as you go (PAYG) withholding tax from weekly benefit payments which would reduce this amount.

Claim Scenario 3 – Temporary Total Disablement (Sickness)

The insured Natural Therapist suffers an ear infection which damages their ear drum and requires an operation to repair the damage. The Natural Therapist is temporarily totally disabled from the date of contracting the infection until the infection clears up 3 weeks later. They then have to wait for an operation.

The operation takes place 15 weeks after the infection was contracted. The surgeon who carried out the operation certifies the insured Natural Therapist is totally disabled for 2 weeks following the operation to allow the insured Natural Therapist to recover from the operation.

The insured Natural Therapist is listed on the policy with a Weekly Benefit of 85% of Earnings to a maximum of \$1,000 per week. The Excess Period is 7 days.

How much the Insurer pays	How much the Insurer pays - Explanation
Amount of claim for Temporary Total Disablement 3 weeks = \$2,550.	Proof is supplied confirming Earnings are \$1,000 per week. We pay the lesser of 85% of actual Earnings or the Weekly Benefit. 85% of \$1,000 = \$850. The lesser amount is 85% of actual Earnings. Weekly Benefit \$850 x 3 weeks = \$2,550.
Less 7 Day Excess Period expressed as an amount = \$850.	This is deducted from the Temporary Total Disablement benefit.
Sub-total for Temporary Total Disablement	\$1,700
Amount of claim for Temporary Total Disablement 2 weeks = \$1,700. The Excess Period is not deducted again as it was the same Sickness and disablement was within 6 months of the end of the first period of disablement.	Proof is supplied confirming Earnings are \$1,000 per week. We pay the lesser of 85% of actual Earnings or the Weekly Benefit. 85% of \$1,000 = \$850. Weekly Benefit \$850 x 2 weeks = \$1,700.
Sub-total for Temporary Total Disablement	\$1,700
Total claim payment is \$3,400.	Temporary Total Disablement is paid weekly or fortnightly in arrears for each period of disablement. Temporary Total Disablement: In some circumstances we are liable to deduct pay as you go (PAYG) withholding tax from weekly benefit payments which would reduce this amount.

Claim Scenario 4 – Temporary Total Disablement (Injury)

The insured OHT begins suffering chronic pain in their wrist and is subsequently diagnosed with a repetitive strain injury (RTI). The GP treating the insured OHT certifies that they are totally disabled for 27 weeks whilst they recover.

The insured OHT is listed on the policy with a Weekly Benefit of 85% of Earnings to a maximum of \$2,000 per week. The Excess Period is 7 days.

How much the Insurer pays	How much the Insurer pays - Explanation
Amount of claim for Temporary Total Disablement 27 weeks = \$41,310.	Proof is supplied confirming Earnings are \$1,800 per week. We pay the lesser of 85% of actual Earnings or the Weekly Benefit. 85% of \$1,800 = \$1,530. Weekly Benefit \$1,530 x 27 weeks = \$41,310.
Less 7 Day Excess Period expressed as an amount = \$1,530.	This is deducted from the Temporary Total Disablement benefit.
Sub-total for Temporary Total Disablement	\$39,780
Total claim payment is \$39,780.	Temporary Total Disablement is paid weekly or fortnightly in arrears for each period of disablement. Temporary Total Disablement: In some circumstances we are liable to deduct pay as you go (PAYG) withholding tax from weekly benefit payments which would reduce this amount.