

## Insurance – it can definitely happen to you!

Most people wouldn't dream of taking their car on the road without car insurance, or living in a house without home and contents insurance. But when it comes to taking up insurance to protect their life or income, most Australians act indifferently.

Common reasons for not taking up insurance are a lack of knowledge, a belief that insurance is too expensive and the age-old 'it won't happen to me' mentality. If this sounds like you, it's worth taking a moment to consider your insurance needs. The peace of mind this will give you is well worth the effort.

If you already have insurance, then you're on the right track. Just spend 30 minutes to check that your insurance policies haven't lapsed, that you understand what you're covered for and that it's adequate for your needs.

### **Myth #1: It's too complicated**

If you're new to insurance, it may seem complicated. There are all sorts of different products, acronyms and official-sounding terms. To help make things clearer below is a snapshot of the typical types of insurance available to you.

#### **Death cover (also known as Term life)**

Provides your family with financial security in the event of your death. If you die, your insured benefit may be paid to your beneficiaries or estate in addition to your account balance.

#### **Total & permanent disablement cover (also known as TPD)**

Provides you and your family with financial security in the event you become totally and permanently disabled and are unable to work.

#### **Income protection cover (also known as Salary continuance)**

Provides you with a regular monthly income if you become totally disabled because of illness or injury and are unable to work and earn your income.

#### **Critical illness cover (also known as Trauma Insurance)**

Provides you and your family with financial security in the event you are diagnosed with a specified condition like cancer, heart attack or stroke.

#### **Business expense cover**

Provides you with a monthly payment to reimburse the regular fixed operating expenses of your business if you're unable to work due to sickness or injury.

### **Myth #2: It's too expensive**

Value is relative and depends on what is important to you. But when you have dependants, it's hard to argue that the right insurance cover is anything but money well-spent. The ability to sleep better at night knowing that everything is taken care of is priceless.

Besides, insurance doesn't have to be exorbitant. By finding the cover that best suits your needs; you should be able to structure your insurance cover so that your premiums are well within reach.

### Myth #3: It won't happen to me

You might think 'I don't need to worry, I'm fit and healthy' but with the incidence of life threatening or debilitating health conditions on the rise, you may think again after considering the following leading causes of death (and disability) in Australia.

#### 1. Heart disease

- Heart disease affects one in five Australians, and affects two out of three families
- Heart disease prevents 1.4 million people from living a full life because of disability caused by the disease

#### 2. Stroke

- There are 60,000 strokes each year, an average of one every 10 minutes
- One in three people who suffer a stroke die within a year while 43 per cent of strokes result in disability

#### 3. Dementia and Alzheimer's disease

- Dementia is fatal and, as yet, there is no cure
- Dementia is already the single greatest cause of disability of Australians aged 65 years or older

#### 4. Cancer

- 1 in 2 men and 1 in 3 women will be diagnosed with cancer by the age of 85
- Cancer accounts for 3 in every 10 deaths in Australia

### Get some advice

If the thought of understanding insurance and what's right for you seems like an insurmountable obstacle then leave it to the experts. The cost of insurance doesn't need to stop you in your tracks and you're always better off knowing more.

Please [Contact us](#) at Boston Financial Planning to make an appointment to discuss your financial situation and to determine whether we can help you!