

# Superannuation Insight: Too much cover?

In Australia, Life Insurance and TPD Insurance is typically included in your super – by default. Generally this is a good thing, but if you're one of the 4 in every 10 Australians who have more than one super fund, it may not be a good thing at all.

Why? Because, unless you've opted out of insurance with your other funds, you're essentially duplicating your cover AND your premiums. As you can see below, this can have a massive negative impact on your retirement savings.



On average how much do people lose off their super balance at retirement due to duplicate insurance premiums?

**\$16,000\***

Unfortunately, this is not always easily fixed by simply consolidating your super into one fund. You need you need to be sure that you're making a good choice. And that can be more complicated than most people think. For example, what if you choose to consolidate with a more recent fund and then you're no longer covered for a pre-existing condition?

Here are three other aspects to consider as well:

**1** What if you still have too much cover?



**2** Or not enough?



**3** Or what if you stop working for a while and your cover stops too?



There's simply too much at stake to take the DIY option or just assume you're properly covered by default insurance in super. The smart thing to do is get professional advice and make sure you, and the people who depend on you, are properly covered – by an insurer with a track record for swift payment of claims.

Professional advice. Quite possibly the most valuable investment you'll ever make.



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\*Source: Choice, <https://www.choice.com.au/money/insurance/life/articles/lack-of-clear-information-costing-consumers-on-life-insurance-091216>

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