



“Plan today, protect tomorrow”

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Will ACC really look after you?

Would your business survive if you were unable to work for 6 months or longer due to illness? There are not many business owners who can answer ‘yes’ to that question. In its area of incapacity through accident ACC can provide a maximum compensation of \$92,871 pa under its product CoverPlus.

But how relevant is that to you? Industry statistics show that, before age 65, 1 in 3 people will be off work for longer than 6 months- but only 5% of those off work will be for ACC related matters. The overwhelming majority will be off because of illness related incapacity, for which ACC pays nothing. Those are not good odds- leaving your business and personal lifestyle at financial risk.

There is a better solution. By restructuring your ACC cover from CoverPlus to CoverPlus Extra, and including certain life insurance products in your cover, you can stretch your existing \$ spend to include protection for accidents **and illness**. Under CoverPlus Extra you can reduce your ACC benefits to a fairly low minimum compensation, but without the necessary combination of insurance products you could find yourself extremely exposed. It’s important to note that an effect of reducing ACC cover is a loss of both income and death benefits.

CoverPlus Extra is appealing to those who qualify. It enables you to negotiate your level of lost earnings cover, and the level of cover agreed on is what ACC will pay you in the event of a successful claim. Not only does it not matter whether the injury is work related or not, under this cover there are no requirements for assessments or proving financial loss at claim time. And because the benefit is agreed on, even if, for example, you return to work part time, that income is not offset. What that all means is you will have:

- greater control over the amount of cover,
- more certainty at claim time,
- a better understanding of your cash flow, and
- ultimately more time to focus on getting well again

When implementing the above approach, the result in many instances, together with an improvement in cover, is an overall reduction in cost. More importantly you would have had better advice on the cover you need. Depending on your circumstance you may have choices at your disposal. To see what this could mean for you in your business, please call me.

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