



# Integrity's Here for You Super Plan

## Year in Review 2020

### Summary

Thank you for reading the Integrity's Here for You Super Plan (the Plan) Product Summary which includes the product determination, and a summary of our annual member outcomes assessment for the 2019-2020 financial year.

The 2019-2020 financial year was an unprecedented year with challenges arising from prolonged drought conditions, the worst bushfire season on record, and the determination that COVID-19 was a global pandemic in March 2020, which has subsequently impacted business and communities on a global scale.

The Plan was launched on 13 April 2019, to provide death and disablement insurance cover inside superannuation and is offered only through financial advisers. There is no investment component and members do not accrue an account balance.

The Plan grew to 297 members by 30 June 2020 and by 31 January 2021, had more than doubled to 662 members. During that period of time, the Plan was able to deliver the following initiatives for the benefit of the Plan members:

- In September 2019, Integrity launched a 8% discount for the lifetime of a policy across their lump sum cover, which was designed to ensure sustainable discounting and pricing for the life of the cover held through the Plan.
- The Plan's insurer, Integrity Life Australia Limited (Integrity), is a signatory to the Financial Services Council Life Insurance Code of Practice (the Code). As a signatory to the Code, when the World Health Organisation (WHO) declared the coronavirus outbreak to be a global pandemic, Integrity committed to the following:
  - Members who lost their job, were stood down or had reduced working hours due to COVID-19 would not have their TPD claims impacted – this initiative is in place for claims lodged by 31 March 2021 for claimable events occurring up to 1 January 2021.
  - Plan members who are frontline health workers could still obtain cover even though they may be exposed to coronavirus.

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- In addition:
  - Integrity does not have any blanket COVID-19 exclusions. Integrity assesses COVID-19 related risk the same way it assesses any other risk.
  - Integrity enhanced their financial hardship policy providing options to Plan members experiencing financial hardship as a result of COVID-19, including waiving premiums for up to 3 months or suspending cover for an agreed term.

These initiatives and commitments provided certainty to both the Plan's existing and new members through this uncertain and challenging time.

Based on the assessment of the outcomes achieved and evidence contained in this summary, we have determined that:

- members' interests are being promoted;
- the basis for the setting of fees is appropriate for members;
- the Plan members are not disadvantaged or inappropriately financially affected due to the scale or costs of our business operations;
- the options, benefits and facilities offered under the product are appropriate to members; and
- the insurance strategy for the product is appropriate to members.

As members do not accrue an account balance, and therefore there are no funds invested, we have determined that the investment strategy for the Plan, including the level of investment risk and the return target, is appropriate to members.

## Insurance, product options, member services

### Insurance options

The Plan provides members with access to death and disablement cover inside superannuation. The insurance cover consists of:

- Life Cover – providing cover for death and terminal illness;
- Total and Permanent Disablement (TPD) Cover – providing cover for total and permanent disablement; and
- Income Insurance Cover – providing cover for temporary incapacity when a member is unable to work to earn an income due to sickness or injury.



Integrity continue to design products that our advisers and members want and need, through listening to their direct feedback. An example of this is, on 1 April 2020, we increased our maximum TPD cover to \$5m, and aligned our policy definitions to make things easier to understand (e.g. the definition of 'Activities of Daily Living' was updated to include 'using the shower or bath to bathe').

Insurance in the Plan can only be accessed through a financial adviser, who has taken into consideration the member's personal circumstances and needs. No default insurance cover is provided. Members must apply for cover, and through this process, with their adviser, will consider the type and amount of cover, and the cost of the cover, that is appropriate to them. As such, the Trustee does not look to measure the impact of insurance eroding your retirement income.

### **Member Services**

Integrity's customer service, claims and operational processes were not impacted by COVID-19 due to their digital first strategy. As a cloud-based insurer, Integrity was able to decentralize quickly and continue to support our members without disruption.

Integrity aims to provide our members with insurance, utilising a service philosophy of "digital when you want it, and human when you need it". Central to this philosophy, is listening to what advisers and our members want, then adapting products and services to this feedback.

Since launching, Integrity has continued to develop their digital-led insurance offering, making significant improvements to their service experience by simplifying and reducing the time to assess applications. Integrity's Adviser Portal provides the ability to complete an application in any order, and never having to enter the same data twice. Members can also finalise their application via the online platform, providing them with greater privacy and convenience than other approaches used within the industry, such as tele-underwriting.

In December 2019, Integrity's Adviser Portal was awarded a Good Design Award by Good Design Australia. This award recognises the greatest innovations from across the country, with Integrity being the only insurer to ever have won this award. Good Design Australia believe that good design doesn't just exist for aesthetic reasons, although important, it is about solving human problems, driving innovation and ultimately making life better.

In July 2020, Integrity introduced 'Application Concierge', a new service to provide a seamless application experience for members. This is delivered through an increase in our support staff numbers and improvement of processes. As a result of this initiative, as at September 2020, 93% of new applications received are decisioned within 24 hours, with more than 15% completed instantly) and 83% underwriting decisioning within 2



days from receipt of further evidence (61% within 24 hours).

Our digital first strategy enables us to keep the costs of our premiums low and members do not pay any additional fees to access these services, as they are included in the insurance premiums.

Our members also have the option of paying their insurance premiums on a monthly basis using direct debit, another example of when we have listened to our member's needs.

We note, we did not receive any complaints during the year.

## Claims

We have only had one claim since the Plan launched relating to an income protection claim. Assessment and approval of the claim was completed in a timely manner.

Integrity's claims philosophy is 'we treat all people who lodge a claim the way we would want to be treated if we were in their place'. This means that when our members need to lodge a claim, Integrity will:

- get to know you, understand your needs holistically, and treat you with fairness, care and respect at all times;
- personalise the experience so it is as straightforward as possible. For example, pay income Insurance benefits on the day that suits you and, in some cases, remove the need to complete any forms as Integrity will capture the required information over the phone. Members have direct access to, and contact information for, to their dedicated claims specialist.
- assess the member's claim fairly, be transparent and keep the member proactively informed based on their preferences for frequency and method.
- support the member to set goals and then collaborate with them and their health network to set out an action plan to achieve the best possible outcome for them.
- connect the member to support services and resources that can help them and their family adjust.

Integrity's resourcing model means dedicated claims specialists have the time and resources to focus on what matters – our members.



The Trustee has determined that based on the above, that the member services and product options for the Integrity's Here for You Super Plan is appropriate to our members. As the type and level of cover is decided through engaging a financial adviser, we have determined that the insurance strategy for the product is appropriate to our members, and that there is no inappropriate erosion of members' retirements income due to the impact of insurance premiums.

## Fees, investment returns and risk

The Plan provides insurance benefits within a superannuation environment. It has no investment component and members do not accrue an account balance, therefore investment returns, or investment risk are not applicable. This product can only be accessed through a financial adviser.

The insurance premiums paid by the member for insurance cover includes any commissions, administration fees, fund operating costs and stamp duty, where applicable. No additional Trustee fees or costs are charged to members. The insurer leverages its scale across its entire operations, and the scale and costs of the Trustees' business operations do not impact our members.

Integrity have a 8% discount for the lifetime of a policy across lump sum insurance cover which aligns to their sustainable pricing model, meaning the premiums charged and any discounts offered are assessed over the long-term and on a sustainable basis. Integrity and the Trustee believes this enables advisers to have better conversations with members and create better lifetime outcomes for their clients, our members – all of which strongly aligns with “client's and members' best interests”.

Based on the above, the Trustee has determined that the basis for the setting of fees is appropriate for our members, and the scale or cost of our business operations, are not inappropriately affecting the financial interests of our members.