

Trauma insurance

“It won’t happen to me...” Maybe you’re right. Maybe bad things only happen to other people. But that doesn’t mean you want to risk being caught unprepared – and uninsured.

Some sobering facts

- In 2021, an estimated 49,000 people will die from cancer in Australia, an average of 135 deaths per day.¹
- Hospital emergency departments in Australia deals with increasing numbers of emergencies with the number of presentations to EDs increasing from 8.02 million in 2017–18 to 8.79 million in 2021–22.²
- Around 24,800 Australians died from coronary heart disease or stroke in 2020.³

What is trauma insurance?

Trauma insurance, also known as critical illness insurance, provides a lump sum benefit in the event that the life insured suffers a “critical illness condition” as defined in the insurance policy. Trauma insurance is designed to help you financially in the event of trauma or critical illness, such as a heart attack, stroke, cancer or other life threatening conditions.

Factors to consider:

- You should ensure your insurance cover is adequate for your needs. Under-insurance can present a serious problem.
- Critical illness cover is generally not held within super. However this insurance type may be connected with other insurances that are held in super, which can reduce the costs of the insurances if purchased as separate policies.
- Workers compensation only covers work related injuries. Further, it sets the requirements and limits on the payments which are administered according to state legislation.

Medicare and private health insurance do not cover all the costs. Health cover may be limited in the choice and flexibility of treatments. It often does not cover all hospital and treatment expenses, and some conditions aren’t covered at all. Out of pocket expenses such as the cost of a carer and rehabilitation expenses may not be covered, nor is the income lost from time off work. Similarly, Government allowances and benefits often don’t go very far in covering all the costs involved in a major accident or serious illness.

How can trauma insurance help you protect your family’s future?

Trauma insurance pays you a tax-free lump sum in the event of you meeting a specified life-threatening illness or injury listed in the policy.

There are no restrictions on how the payment is spent. It can be used to cover out of pocket expenses such as:

- rehabilitation and recovery costs
- refitting your home or relocating to more suitable accommodation
- paying off outstanding debts or providing an ongoing income, or
- for a professional carer, or enabling your partner or family to reduce their working hours to look after you.

1 [Cancer in Australia 2021, Summary – Australian Institute of Health and Welfare \(aihw.gov.au\)](#)
 2 [Emergency department care activity – Australian Institute of Health and Welfare \(aihw.gov.au\)](#)
 3 [AIHW media releases, 03 November 2022](#)



Let’s talk

We can help you understand the type of insurance cover that may be appropriate for you. Your path to financial wellbeing starts with a simple email.

If you would like more information, please email us at:

 enquiries@bridges.com.au

Important Information

This document is prepared by Bridges Financial Services Pty Limited ABN 60 003 474 977 AFSL 240837 (Bridges). The information in this document is general advice only and does not consider the financial objectives, financial situation or needs of any particular investor. Before acting on this report, you should assess your own circumstances or seek personal advice from a licensed financial adviser. This document is current as at the date of issue but may be subject to change or be superseded by future publications. In some cases, the information has been provided to us by third parties. While it is believed that the information is accurate and reliable, the accuracy of that information is not guaranteed in any way. Whilst care has been taken in preparing the content, no liability is accepted by Bridges, nor their agents or employees for any errors or omissions in this document, and/or losses or liabilities arising from any reliance on this document. This document is not available for distribution outside Australia and may not be passed on to any third person without the prior written consent of Bridges.