



Investment Magazine
**GROUP INSURANCE
SUMMIT DIGITAL**

AUGUST 17, 2021

conexusfinancial
FIS 1210

Investment Magazine

Co-founded with our platinum partners:



HEALTHIER. LONGER,
BETTER LIVES

TAL



THE YFYS IMPACT: REDEFINING MEMBER COHORTS PRE AND POST MERGERS

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Considerations of Your Future, Your Super

Positives of YFYS

- Reduced duplicate accounts
- Focus on performance
- Identification and action for underperforming funds

Impacts on Group Insurance

- Challenge for customisation of defined membership groups
- Impact on what automatic insurance will look like (simple or diverse)
- Impact on AAL/CAL
- Membership profile changes + or - (age & occupational mix)

Considerations of Your Future, Your Super

Impacts on Group Insurance

- **Diseconomies of scale**
- **Impact on experience and pricing over time**
- **Entry level cover and progressive uplifts or more underwriting**
 - **More limited cover ?**
 - **More declines, exclusions, loadings ?**
- **Communication risks**
- **Follows reg changes for RG271 Complaints and Compliance breach reporting**
- **Employer issues (coverage, new starter checklists, ATO register)**

Considerations of Your Future, Your Super

Transitional issues

- **Effective November 2021**
- **ATO portal**
 - **Phase 1 1 Nov 2021 service for employer**
 - **Phase 2 1 July 2022 wholesale service for payroll systems**
- **Likely adverse impacts for vulnerable**
 - **(unengaged, language, financial literacy, poorer health)**
- **Use of Dangerous Occupation Exception – currently limited**
- **Insurance industry response to impacts**