

Trauma Cover Worksheet

This simple worksheet helps you think through potential Trauma (Critical Illness) cover needs. Use it on your own or as a prompt for discussion. If you are working with an adviser, they can help tailor the amounts and structure to your situation.

1. What Trauma Cover is For

Trauma insurance pays a lump sum if you are diagnosed with a serious illness or have a major health event such as cancer, heart attack or stroke. The payment can reduce financial pressure so you can focus on recovery. It can help with medical costs, time off work, home changes and other practical needs.

2. Why it Matters

Serious health events often disrupt income and create extra costs. Your needs will vary based on the condition, treatment pathway and support network. The worksheet below helps you identify the areas that matter most and estimate the cover you might need.

If you are working with an adviser, they can help align this with any existing Life, TPD or Income Protection cover.

3. Building Your Cover

- **Medical or contingency** - treatment, rehabilitation, travel and other out-of-pocket costs.
 - **Income replacement** - your monthly income for the period needed to recover, commonly 3 to 12 months.
 - **Extra income support** - a spouse or carer's income for a few months as a contingency.
- **Short-term debt clearance** - clear smaller debts to reduce stress during recovery.
 - **Home modifications or aids** - accessibility changes or medical equipment if required.
 - **Other** - anything specific to your situation.

4. Real-world Insights

- Over **1 million Australians** are living after a cancer diagnosis¹.
 - **40%** of cancer diagnoses occur in people of working age¹.
 - Average initial time off work for cancer is about **30 weeks**¹.
 - Potential income loss example - **\$5,000 per week for 30 weeks = \$150,000**¹.
- **25%** of patients face out-of-pocket costs above **\$10,000** every two years¹.
 - Some cancer drugs can lead to out-of-pocket costs of **\$100,000+** when not subsidised¹.

Figures are indicative and vary by condition, treatment path and whether care is public or private.

5. Your Cover Worksheet

Area	Include?	Allowance (\$)	Notes
Medical / Contingency	☐	\$	
Income Replacement	☐	\$ ____ /month for ____ months	
Extra Income Support	☐	\$ ____ /month for ____ months	
Short-term Debt	☐	\$	
Home Modifications / Aids	☐	\$	
Other: _____	☐	\$	

Many people choose a combined allowance that blends income support, medical costs and a modest contingency to keep things flexible.

6. What to Do Next

- Review these amounts alongside your budget and any existing cover.
- Consider using the Life Insurance Needs Calculator to explore indicative levels.
- If you are working with an adviser, ask them to help fine tune the structure and ownership.
- Revisit regularly as income, family needs and medical costs change.