

# ABSOLUTE HEALTH PRODUCT GUIDE



# THE BEST MEDICAL CARE

Where and when it suits you.

We choose the cars we drive, the areas in which we live and the schools our children attend – so why leave the choice of major medical care up to someone else? With private health insurance you are in control. It helps you access the very best medical expertise at the time that suits you, and in the hospital of your choice.

## MAKE THE RIGHT CHOICE FOR YOUR FAMILY

If you, or a member of your family, require surgery or medical treatment, Sovereign Absolute Health not only gives you the freedom to select the best specialists and the best hospitals, it generally ensures that you avoid a long waiting list to receive essential treatment. This gives you greater certainty about the most important thing we need to protect – your health.

Absolute Health will help give you access to the very best medical care at the time that suits you, and in the hospital of your choice.

## GOOD REASONS TO HAVE HEALTH INSURANCE

- Protect your health and the health of your loved ones
- Freedom to select the best specialist and hospital in New Zealand
- Avoid long waiting lists to receive treatment
- Access to the latest medical procedures and technology
- No need to worry about large medical bills.

## ABSOLUTE HEALTH QUALITY OF CARE

As private hospitals continue to develop, more and more New Zealanders are taking out health insurance to ensure they have access to the best care available, when they need it. With Sovereign Absolute Health you have the freedom to choose: modern facilities, comfortable surroundings and private rooms – it all adds up to the best possible environment for recovery.

## ABSOLUTE PEACE OF MIND

The diagnosis of an illness and any subsequent surgery can be very stressful, and the last thing you need is the additional worry of large medical bills. With Sovereign Absolute Health you will receive 100% reimbursement of covered reasonable charges, up to the limits shown in the policy document.

Many people find themselves unprepared when faced with illness or injury, and they may have to be away from work for extended periods while on a waiting list. It not only affects them financially, but can also impact their family life. For those who run their own business this can be even more critical.

## ABSOLUTE HEALTH KEY FEATURES:

- Up to \$250,000 each year for private surgery
- Up to \$250,000 each year for medical hospitalisation
- Up to \$100,000 each year for specialist consultations, imaging and diagnostic testing related to the hospitalisation
- Up to \$15,000 per lifetime for breast reconstruction following mastectomy
- Up to \$20,000 for overseas treatment when the treatment covered cannot be performed in New Zealand
- Optional Specialist and Diagnostic Testing Benefit including access to Best Doctors® (a New Zealand first).

# THE COST OF TREATMENTS

## CT SCAN

\$600 - \$800\*

## MRI SCAN

\$1000 - \$1,200\*

## CATARACT REMOVAL

\$3,500 - \$4,000

## ANGIOPLASTY WITH STENTS

\$26,000 - \$30,000

## CARDIAC BYPASS

\$45,000 - \$60,000

## VALVE REPLACEMENT

\$49,000 - \$65,000

## MASTECTOMY

\$14,000 - \$18,000

## HIP REPLACEMENT

\$28,000 - \$33,000

## PROSTATE BRACHYTHERAPY

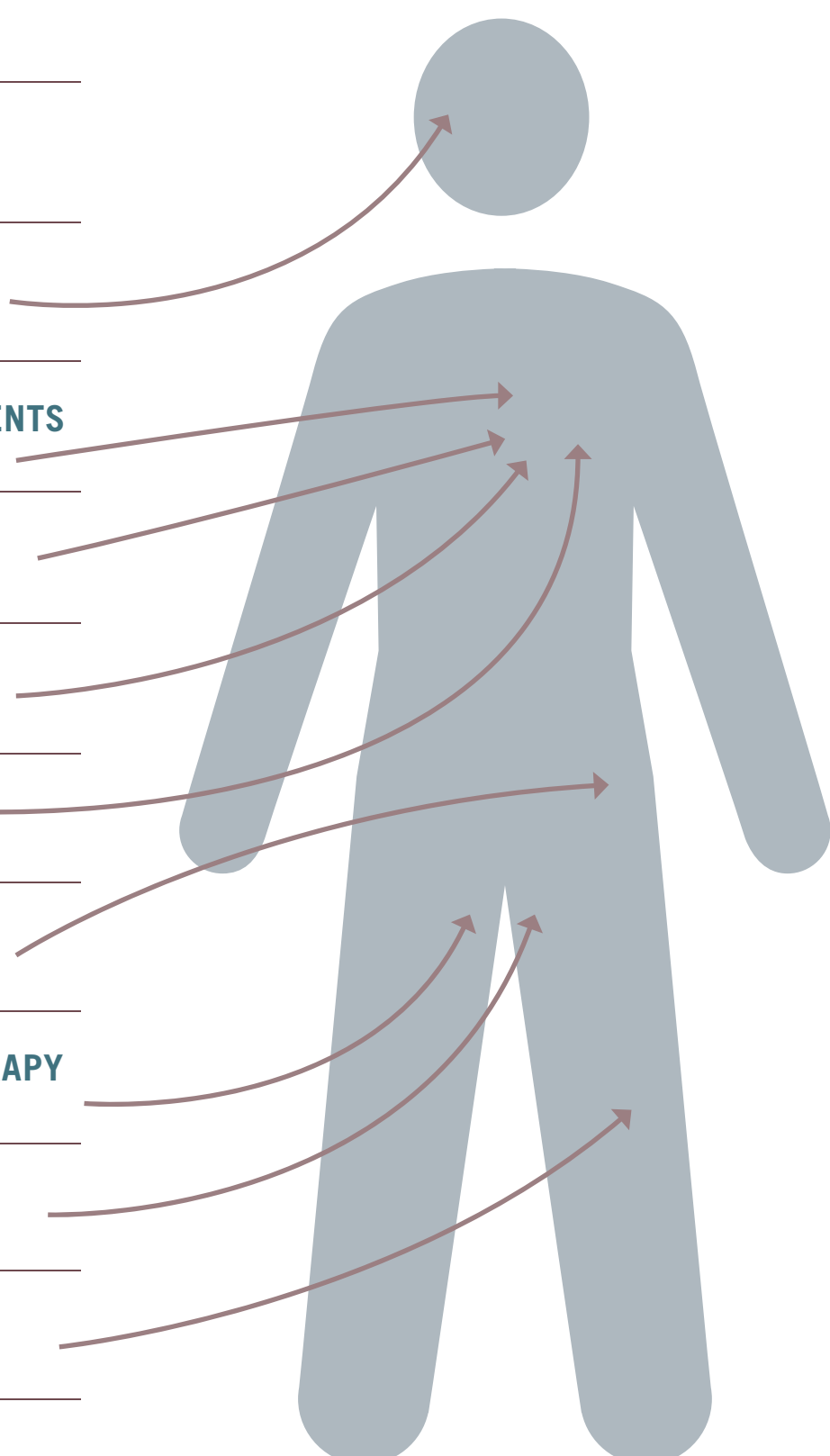
\$26,000 - \$32,000

## TOTAL HYSTERECTOMY

\$10,000 - \$13,000\*

## KNEE REPLACEMENT

\$24,000 - \$28,000



Source: Sovereign Health Insurance Claims Department 2009  
\* Health Funds Association of New Zealand – January 2010

# BENEFIT SUMMARY

Please note this is a summary of the benefits of this policy. For the terms and conditions of this policy please refer to the Absolute Health policy document.

## MEDICAL HOSPITALISATION IN A PRIVATE HOSPITAL

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**WHAT IS COVERED?** Covers reasonable charges incurred during a medical hospitalisation for treatment of a condition which does not require surgery when referred by a specialist.

**LIMIT** \$250,000 per life assured, per policy year. Includes pre-admission and post-discharge (refer to page 4). Excess applies.

## GENERAL SURGERY PERFORMED IN A PRIVATE HOSPITAL

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**WHAT IS COVERED?** Covers reasonable charges incurred during a surgical hospitalisation when referred by a specialist including: surgeon, anaesthetist, diagnostic and hospital fees.

**LIMIT** \$250,000 per life assured, per policy year. Includes pre-admission and post-discharge (refer to page 4). Excess applies.

Also covers reasonable charges incurred for the following procedures performed on a life assured admitted overnight to a private hospital, when recommended by a specialist: Dilatation and Curettage, Arthroscopy, Hysteroscopy and Laparoscopy.

## CARDIAC SURGERY/PROCEDURES PERFORMED IN A PRIVATE HOSPITAL

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**WHAT IS COVERED?** Covers reasonable charges of cardiac surgery or non-invasive cardiac procedures when referred by a specialist.

**LIMIT** \$250,000 per life assured, per policy year. Includes pre-admission and post-discharge (refer to page 4). Excess applies.

## ORAL SURGERY PERFORMED IN A PRIVATE HOSPITAL OR DAY STAY CLINIC

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**WHAT IS COVERED?** Covers reasonable charges of medically necessary oral surgery\*, performed by an oral surgeon, when referred by a registered medical practitioner.

Cover is not provided for root canal treatment, dental repair or implants. Cover is also not provided for orthodontic treatment or orthognathic surgery of any kind.

\* Oral surgery procedures covered are:

- Removal of impacted wisdom teeth (procedure is only covered from 12 months after the commencement of this cover)
- Removal of unerupted teeth (procedure is only covered from 12 months after the commencement of this cover)
- Treatment of cysts, soft tissue swellings and enlargements.

**LIMIT** \$250,000 per life assured, per policy year. Includes pre-admission and post-discharge (refer to page 4). Excess applies.

## PRE-ADMISSION AND POST-DISCHARGE FROM A PRIVATE HOSPITAL OR DAY STAY CLINIC

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**WHAT IS COVERED?** Covers reasonable charges of specialist consultations and diagnostic procedures directly relating to a medical condition (covered on page 3) and when referred by a specialist. Period covered is for six months before and six months after a covered medical hospitalisation or surgery.

**LIMIT** Included as part of the hospitalisation or surgery maximum cover (covered on page 3).

## OUTPATIENT CARE RECEIVED AT A PRIVATE HOSPITAL, DAY STAY CLINIC OR SPECIALIST ROOMS APPROVED BY SOVEREIGN

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**WHAT IS COVERED?** Covers reasonable charges incurred with an outpatient surgical procedure when recommended by a specialist (including related diagnostic testing performed in connection with the procedure).

This benefit provides coverage for medically necessary angiograms, MRI and CT scans, regardless of whether surgery is performed or not.

This benefit also covers reasonable charges incurred for the following procedures when recommended by a specialist: Arthroscopy, Cystoscopy, Colonoscopy\*, Dilatation and Curettage, Gastroscopy, Hysteroscopy, Laparoscopy and Myelogram.

\*Cover is not provided for routine screening or periodic testing.

**LIMIT** \$100,000 per life assured, per policy year. Excess applies.

## BREAST RECONSTRUCTION AFTER MASTECTOMY

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**WHAT IS COVERED?** Covers reasonable charges of breast reconstruction after total mastectomy when referred by a specialist. Cover is not provided for prophylactic procedures.

**LIMIT** Up to \$15,000 per life assured, per lifetime. Excess applies.

## NON-SPECIALIST OUTPATIENT MINOR SURGERY

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**WHAT IS COVERED?** Covers reasonable charges incurred with an outpatient surgical procedure performed by a registered medical practitioner under local anaesthesia in general practice surgery rooms.

Cover is not provided for cosmetic and elective treatment.

This benefit provides coverage for the medically necessary:

- Excision of lesions, moles and cysts
- Wedge resection of toenails.

**LIMIT** \$250 per life assured per treatment to a maximum \$500 per life assured per policy year. No excess applies.

- Vasectomy\*
- Allergy desensitisation injections
- Varicose vein treatment.

\*Cover is only provided after two continuous years of cover.

**LIMIT** \$450 per life assured per treatment to a maximum \$900 per life assured per policy year.

No excess applies.

# BENEFIT SUMMARY CONTINUED

## HOME NURSING CARE

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**WHAT IS COVERED?** Covers reasonable charges of home care provided by a registered nurse when recommended by a specialist. This care must immediately follow discharge from a private hospital for a covered surgical or medical procedure.

**LIMIT** \$150 per day up to a maximum of \$5,000 per life assured, per policy year.  
No excess applies.

## OVERSEAS MEDICAL TREATMENT

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**WHAT IS COVERED?** Covers reasonable charges for medical treatment at an overseas hospital acceptable to Sovereign, where medical treatment covered under this policy cannot be provided in New Zealand.

This benefit also includes two return economy class airfares for the life assured and a support person.

**LIMIT** \$20,000 per life assured, per lifetime.  
Excess applies.

## TRANSFER BENEFIT

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**WHAT IS COVERED?** This benefit specifically covers the transfer of a patient from one private hospital or day stay clinic to another private hospital or day stay clinic in a situation where complications have arisen and further treatment can only be provided by specialist services at the private hospital or day stay clinic to which the patient is being transferred. The benefit only applies to transfers within the North and South Islands of New Zealand.

All reasonable charges for the following modes of transport will be met: air ambulance, road ambulance, road transport or economy airfares.

**LIMIT** No maximum cover.  
No excess applies.

## BEREAVEMENT GRANT

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**WHAT IS COVERED?** If a life assured dies when aged between 21 and 59 (inclusive), Sovereign will pay a death benefit to the policy owner or their estate.

**LIMIT** \$2,500 per life assured, per lifetime.  
No excess applies.

## CAREGIVER ACCOMMODATION

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**WHAT IS COVERED?** Covers reasonable charges of accommodation and/or transportation as required for a parent, guardian or support person who accompanies a life assured receiving a covered treatment outside their region of residence.

**LIMIT** \$125 per day up to a maximum of \$2,500 per life assured, per policy year.  
No excess applies.

## PUBLIC HOSPITAL CASH GRANT

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**WHAT IS COVERED?** Lump-sum payment paid if the life assured is admitted to a public hospital for a continuous period of more than three days (not including admissions on a private fee-paying basis or for obstetric care).

**LIMIT** \$200 per day after the third day, up to a maximum of \$2,000 per life assured, per policy year.  
No excess applies.

## WAIVER OF PREMIUM

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**WHAT IS COVERED?** Upon the death of a life assured, prior to attaining the age of 70 years, and where the cause of death is not excluded under the policy, Sovereign will continue to provide cover under the policy

for the surviving lives assured covered by the policy at the time of death, without requiring further premiums for 12 months from the date of death.

## LOYALTY BENEFIT: STERILISATION

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**WHAT IS COVERED?** Covers reasonable charges of sterilisation including vasectomies and female sterilisation procedures (i.e. tubal ligation and hysteroscopic sterilisation). Prior approval must be received from Sovereign.

**LIMIT** No maximum cover.  
Applies only after two years of continuous cover.  
Excess applies.

## MEDICAL MISADVENTURE

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**WHAT IS COVERED?** If, during the course of any medical procedure or treatment in a private hospital, a life assured should die directly as a consequence of any erroneous or negligent action, omission or failure to observe reasonable and customary standards by a care provider of the said hospital, a death benefit shall become payable, provided:

- the death occurs within 30 days of such a recorded and proven incident; and
- a public admission of such incident and liability is made by the said hospital and verified and confirmed by the relevant government authority, a court of law, coroner's inquest or the Medical Council of New Zealand; and

- the death is independent of any other cause other than the termination of the life support system after brain death has been established.

**LIMIT** \$30,000 per life assured.

## OPTIONAL ADD-ON

# SPECIALIST AND DIAGNOSTIC TESTING BENEFIT

Did you know that New Zealand has one of the lowest number of specialists per capita in the Organisation for Economic Co-operation and Development (OECD)?<sup>1</sup>

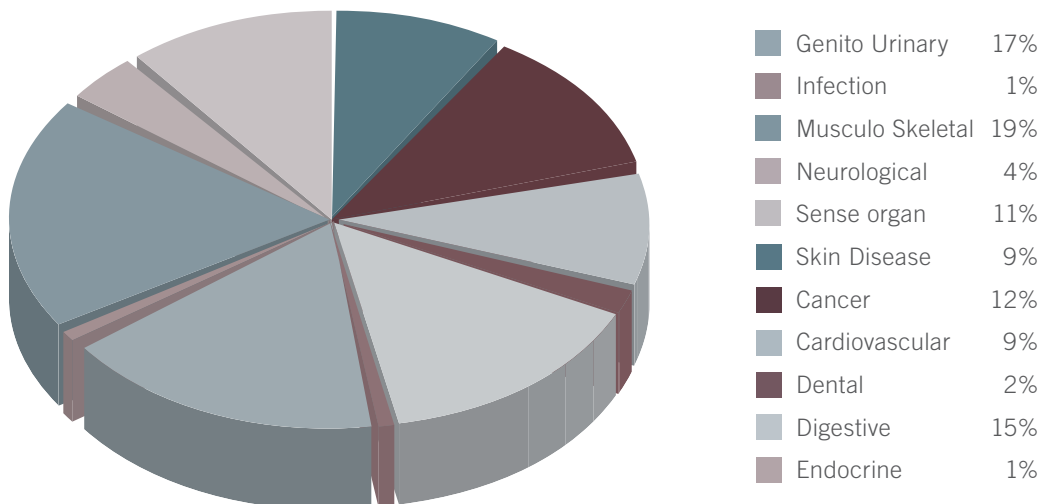
In fact the Association of Salaried Medical Specialists (ASMS) has calculated that New Zealand is short of 638 medical specialists.<sup>2</sup>

To match the number of specialists per capita that Australia has, New Zealand needs:

- 18% more anaesthetists
- 27% more obstetricians /gynaecologists
- 39% more medical specialists
- 25% more psychiatrists
- 30% more general surgeons.<sup>3</sup>

### SOVEREIGN'S SPECIALIST AND DIAGNOSTIC TESTING CLAIM PAYMENTS

In the year to June 2010, Sovereign paid almost \$700,000 per month in Specialist and Diagnostic claims.<sup>4</sup>



1 OECD – Health at a Glance 2009

2 ASMS – June 2010

3 New Zealand Herald – August 2010

4 Sovereign's claims data, 1 July 2009 to 30 June 2010



## WHAT ARE THE BENEFITS?

For an additional premium you can be covered for specialist and diagnostic testing up to a limit of \$3,000 per life assured, per policy year. This optional benefit includes access to the Best Doctors' service.

BENEFIT	WHAT IS COVERED?
<b>SPECIALISTS CONSULTATIONS</b>	<p>Covers reasonable charges of a specialist when referred by a registered medical practitioner including:</p> <ul style="list-style-type: none"> <li>■ Cardiac Surgeons</li> <li>■ Cardiologists</li> <li>■ Ear, Nose and Throat Specialists</li> <li>■ Gastroenterologists</li> <li>■ General Surgeons</li> <li>■ Gynaecologists</li> <li>■ Neurosurgeons</li> <li>■ Oncologists</li> <li>■ Orthopaedic Surgeons</li> <li>■ Urologists</li> </ul> <p>Cover is not provided for Obstetricians, Psychiatrists or Psychologists.</p>
<b>DIAGNOSTIC TESTS</b>	<p>Covers the reasonable charges of diagnostic procedures directly relating to a medical condition when referred by a specialist including but not limited to:</p> <ul style="list-style-type: none"> <li>■ Allergy Testing</li> <li>■ Audiology</li> <li>■ Audiometric Tests</li> <li>■ CT Scans</li> <li>■ Colonoscopy*</li> <li>■ Cystoscopy</li> <li>■ Electroencephalography (EEG)</li> <li>■ Electromyography (EMG)</li> <li>■ Exercise ECG</li> <li>■ Gastroscopy</li> <li>■ Holter Monitoring</li> <li>■ Laboratory Tests</li> <li>■ Mammography*</li> <li>■ MRI Scans</li> <li>■ Myelogram</li> <li>■ Ultrasound</li> <li>■ Urodynamic Assessments</li> <li>■ X-Rays</li> </ul> <p>*Cover is not provided for routine screening or periodic testing.</p>

# BEST DOCTORS



Best Doctors provides additional medical advice on critical, chronic and degenerative conditions that require a specialist. This service is available for you and your immediate family\* to use as many times as you need to.

## HOW BEST DOCTORS WORKS:

- If you want reassurance in respect to a diagnosis or have questions about the treatment plan, Best Doctors offers access to leading medical advice without having to leave home.
- A 'client advocate' – a registered nurse – is assigned to each case and gathers all relevant medical records, including diagnostic test results and any pathology specimens on behalf of, and at no cost, to you. Your treating doctors are not expected to collect the records.
- Pathology may be retested and all diagnostics reviewed by the Best Doctors multidisciplinary team of doctors, which reviews all aspects of your case, essentially deconstructing and reconstructing the diagnosis.
- A clinical synopsis of your medical condition is created, and a leading expert, or multiple experts, depending on the complexity of the case, is selected from Best Doctors' network of 50,000 of world-renowned specialists.
- These experts make specific recommendations about the diagnosis and treatment. These details are summarised by the specialist(s) in a written report and returned to the client advocate. The client advocate will discuss the report with you, explains any concepts that are unfamiliar, and then forward the report to you.
- You are encouraged to share the report with your treating doctor. The aim is to work collaboratively with the treating doctors and specialists – to confirm the diagnosis and best treatment recommendations.
- The client advocate is available to answer any further questions that arise during this process.

### WHICH ILLNESSES OR CONDITIONS DOES BEST DOCTORS REVIEW?

In general, Best Doctors will arrange advice on conditions that have required specialist advice, regardless of whether it is a condition that Sovereign might pay a claim for. Best Doctors provides a supporting opinion service, so it is necessary that you have seen a GP in New Zealand first.

### WHICH ILLNESSES OR CONDITIONS DOES BEST DOCTORS NOT REVIEW?

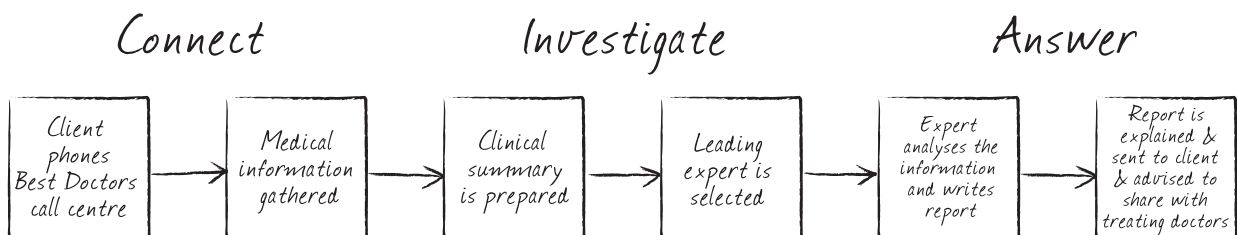
Best Doctors will endeavour to assist whenever you need to use the service and there is sufficient information available. However, there may be circumstances whereby the service cannot be provided. These instances generally include conditions that require face-to-face contact, for example:

- Acute illness and during hospitalisation
- Mental health conditions.

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Best Doctors is independent of Sovereign and Best Doctors terms and conditions and eligibility criteria apply.

\* You, your partner (spouse, civil, or de facto), and any birth child or child under legal guardianship of you and/or your partner.



## SIMPLE PRIOR APPROVAL SERVICE

Sovereign provides an exceptional claims service. You can apply for approval for your proposed treatment in advance and, if approved and covered by the plan, we will arrange payment directly with the health providers. You have the certainty of knowing, before the treatment commences, whether the claim will be paid or not.

## ACC PAYMENTS

Where ACC doesn't cover the cost of hospital treatment, we may make up the difference for the covered reasonable charges, up to the policy limits. However, no benefit will be paid if you do not take all reasonable steps to pursue an accident-related claim with the Accident Compensation Corporation of New Zealand.

## HEALTH INSURANCE MAY BE MORE AFFORDABLE THAN YOU THINK

**MANAGING YOUR PREMIUMS** Sovereign gives careful consideration to the setting of health insurance premiums. Sovereign Absolute Health premiums depend on different factors such as your gender, age, smoker status, the excess option chosen, if children are included in the policy and if the optional Specialist and Diagnostic Testing Benefit is selected.

**WHY DO PREMIUMS CHANGE?** Health insurance premiums automatically increase each year based on your age.

Premiums are also affected by the increase in cost of medical procedures, equipment and treatments as they become more sophisticated due to technological improvements.

Sovereign reserves the right to review the premiums on a regular basis, providing you at least 30 days notice before the change takes effect.

## EXCESS OPTIONS TO HELP REDUCE YOUR PREMIUMS

Selecting an excess amount on your policy will keep your premiums down. The higher the excess you choose, the lower the premium. Options available are:

EXCESS	DISCOUNT TO THE BASE COVER
BASE	0%
\$300	25%
\$600	35%
\$1,200	45%
\$2,000	50%
\$4,000	60%

The excess applies once per life assured, per policy year.

## MORE INFORMATION

For more information and a quotation on Sovereign Absolute Health, talk to your adviser or contact us on:

Freephone 0800 500 108

8.00am to 6.00pm, Monday to Friday

# SOVEREIGN

Sovereign has been a part of New Zealanders' lives since 1989 and today provides life, business and health insurance, home loans, investment and superannuation products to more than 650,000 customers.

One in every five New Zealanders over the age of 15 years has a relationship with Sovereign.<sup>1</sup>

Our products are carefully designed to meet the specific needs of our many and varied personal and business customers, helping them build independence and financial freedom.

## WE ARE:

- The country's leading life insurance company
- New Zealand's largest non-bank home loan provider
- The country's third-largest health insurance provider on the basis of premiums and memberships
- One of New Zealand's largest workplace risk insurers
- One of the largest companies in New Zealand for total funds under management, managing over \$2.5 billion (as at 30 June 2010).



## THERE WHEN YOU NEED US...

With Sovereign, you can be confident that we'll be there when you need us. We pay out more in claims than any other life insurer in New Zealand – providing our customers with financial support in their times of need. During the year ended June 2010, Sovereign paid out over \$272 million in all claims. Overall, Sovereign pays 97% of all claims.<sup>2</sup>

We're dedicated to working closely with our customers to achieve the best possible outcomes when the unexpected happens.

Our philosophy on all claims is to make the process easy for you and your loved ones.

Our team of experienced claims specialists is ready to assist should you need to make a claim.

1 Census 2006 – Statistics New Zealand

2 Sovereign Claims Department, June 2010

**OTHER THINGS YOU SHOULD KNOW:** The availability of insurance cover is subject to your application being approved. All applications are subject to individual consideration. Special conditions, exclusions and premium loadings may apply. This insurance is underwritten by Sovereign Assurance Company Limited ('Sovereign'). For full details of the products and benefits offered by Sovereign, please refer to the policy document(s) which are available from Sovereign.

Sovereign, the policy insurer, is part of the Commonwealth Bank of Australia Group and is a related company of ASB Bank Limited and its subsidiaries ('the Banking Group'). Neither the Banking Group, the Commonwealth Bank of Australia, nor any of their directors, nor any other person guarantees Sovereign or its subsidiaries, nor any of the products issued by Sovereign or its subsidiaries.

## LIFE INSURANCE • HOME LOANS • INVESTMENTS

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