



# NZDF MIBP TIER 1 & 2

## INCOME PROTECTION BED CONFINEMENT BENEFIT

### Q1: How does the Bed Confinement Benefit work?

The Bed Confinement Benefit was added to the NZDF MIBP Income Protection insurance from 1 July 2017. For the benefit to be payable, you must have NZDF MIBP Income Protection, and be confined to bed for at least 4 days on the direction of a qualified medical practitioner, and under the full-time care of a registered nurse. You do not have to make an Income Protection claim to qualify for the Bed Confinement Benefit. Accidents and illnesses are covered, and cover ceases at age 70.

### Q2: How much is the Benefit?

The daily Bed Confinement Benefit is 1/30 of your monthly Income Protection Benefit for Total Disablement for each day confined to bed, from the 4th day, where a day is at least 20 hours, until the earlier of your discharge, or the end of the Income Protection Waiting Period.

### Q3: What if I am discharged from bed confinement and then Readmitted?

The 4 day minimum applies only to the first bed confinement for that condition. If you are readmitted for the same condition, the benefit is payable every day of bed confinement until the Income Protection Benefit would begin.

### Q4: Am I covered if I am confined to bed at Home?

If you are confined to bed rest at home on the direction of a qualified medical practitioner with a registered nurse visiting you should apply for the Bed Confinement Benefit, qualifying will depend on your circumstances.

### Q5: Do I have to pay Tax on the benefit I receive?

**Yes** – the benefit is taxable like your salary, but the tax is not automatically deducted like PAYE from your salary. You will be responsible for paying the tax to the IRD.

### Q6: Are there any Exclusions?

**Yes** – the Bed Confinement Benefit does not cover:

- a) normal pregnancy, uncomplicated childbirth or miscarriage; or
- b) any intentional, self-inflicted Injury or Illness, or any attempt at suicide or self-destruction, unless due to an underlying diagnosed mental illness as solely determined by the insurer, or
- c) the Insured Member deliberately taking or using non-prescribed drugs, other than for proper therapeutic or medical purposes and in accordance with the manufacturer's directions for use or the deliberate misuse by the Insured Member of prescribed drugs; or
- d) violation or attempted violation of the law or resistance to lawful arrest.

### Q7: How do I Claim?

For NZDF personnel, contact your HRA. If you have left NZDF and have Tier 2 Income Protection, email [nz.nzdf.enquiries@aon.com](mailto:nz.nzdf.enquiries@aon.com), or phone 0800 642 748.