# Talking to clients about increasing premiums

This email is **proactive** and should be sent **ahead of a scheduled premium increase** to help clients manage rising costs without cancelling their cover.

**Situations that trigger use:**

* Annual premium increase notification from the insurer.
* Adviser’s CRM flags a stepped premium approaching with a significant jump.
* Client’s variable (level) premium is changing to variable age-stepped (stepped) premium.
* Client has previously expressed concern about affordability.

**Purpose**:

To **pre-empt cancellation or dissatisfaction** by offering cost-saving adjustments that preserve essential protection.

**Things to consider:**

* When you send these emails you should include a general advice disclaimer. Here is an example for you to use:

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| **Explaining why premiums go up with clients**Multiple factors contribute to the cost of your insurance premiums. These include how much cover you choose to take out as well as specific attributes such as age, gender, and personal risk factors. Some key reasons why your life insurance premiums go up from year to year are:* Automatic inflation increases – your policy may have a feature which increases the amount you’re insured for each year in line with inflation
* Your premium structure – variable age-stepped premiums (also known as *stepped premiums*) increase each year to reflect the likelihood of you claiming as you age. Variable premiums (also known as *level premiums*) spread the cost across several years, helping you avoid increases linked to getting older. In some cases, variable premiums may convert to variable age-stepped premiums once you reach a certain age
* Adjustment of standard premium rates (repricing) – your insurer may adjust their premium rates to make sure they can continue to support future claims and cover costs of doing business
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**Subject line options**:

**Your premium is rising – but there are ways to manage it**

**Want to reduce your premium without losing your cover?**

**Let’s chat about your premium**

**Do you know how to control your life insurance premiums?**

Hi [Client’s First Name],

**Your premiums are changing**

I’ve reviewed your policy and noticed your insurance premiums are set to increase from $<amount> to $<amount> on <date>. If you’re concerned about this change, let’s discuss some of the adjustments we can make to keep your cover affordable and aligned with your needs today.

**Some strategies to consider include:**

* reviewing your cover amount to better reflect your current needs
* pausing annual increases to your cover amount that help keep pace with inflation
* checking if you’re paying for extras that aren’t needed anymore
* changing how often you pay
* changing the waiting or benefit period on any Income Protection policies.

**Cover that still works for you**

These adjustments can make a real difference, so please get in touch if you’d like to ensure you have the right cover for your current needs at the most affordable premium.

Let’s book in a quick review – just to make sure your cover still fits where life is taking you.

<**CTA**: **Let’s chat** >

Warm regards,
[Adviser Name]

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