



Wealth
Management



Critical illness insurance: a real living benefit

Consider this:

David thought he had prepared himself well for retirement, by setting up his own business. That was before he was diagnosed with prostate cancer.

- No hospital close to home could give him treatment for 15 weeks and he could not afford the expense to travel to another hospital, not to mention take the time away from his business.
- David and his wife had to retire much later than either had planned for and had to sell their business, their home and other valued possessions.

Key concerns

- Canadians are living longer, often with a life-altering illness.
- Many Canadians worry about themselves or a loved one becoming critically ill.
- Modern medicine can save the patient but may cause a huge financial drain on family resources.
- Traditional insurance products that pay the benefit on death often fall short when dealing with this dilemma.

The solution

- Critical illness insurance pays out a one-time lump sum benefit if you are diagnosed and meet the survival and/or qualifying period for the illnesses or health conditions covered by your policy.
- Critical illness insurance was designed to give consumers the opportunity to recover and resume a meaningful lifestyle without the added burden of financial debt.
- Proceeds from a critical illness policy can be used at your discretion. They can be used to make home modifications to get the best medical treatment or to travel with loved ones.

The details

- Life insurance companies offer critical illness (CI) insurance within their increasingly popular living benefits product lines.
- 24+ critical illnesses may be covered, including heart attack, stroke and cancer.
- This product is generally available with three paying options: Term 10, to age 75 or for lifetime.

Proceeds from a critical illness policy can be used at your discretion.

- You can purchase any amount of critical illness insurance from \$10,000 up to \$3,000,000.
- Some plans allow you to choose a Return of Premium benefit which is active after a period of time, at expiry, or if you pass away while the policy is in effect and other provisions have been met. If you choose this option and you never make a claim, you or your beneficiary may receive the premiums you paid. Choosing this option compensates you for not using the coverage you purchased.
- Some plans offer an Early Intervention Benefit, which provides you with a small amount of your coverage for conditions not normally covered by other critical illness products.

For more information, please contact us.

It is estimated that in 2019:

- On average, 604 Canadians will be diagnosed with cancer every day.
- Based on 2015 estimates, 43% of women and 45% of men in Canada will develop cancer during their lifetimes.

General cancer statistics at a glance – Canadian Cancer Society, 2019

In Canada each year:

- someone dies from heart disease or stroke every 7 minutes.
- heart disease and stroke account for two of the three leading causes of death.
- 62,000+ strokes, an estimated 70,000 heart attacks and up to 40,000 cardiac arrests occur.

The Heart and Stroke Foundation of Canada, Heart and Stroke Foundation Research Report 2018-2019

Critical illness insurance may provide coverage in the following situations, depending on the product and plan you choose.

- Acquired brain injury
- Aortic surgery
- Aplastic anaemia
- Bacterial meningitis
- Benign brain tumour
- Blindness
- Cancer
- Coma
- Coronary artery bypass surgery
- Deafness
- Dementia, including Alzheimer's disease
- Heart attack
- Heart valve replacement or repair
- Kidney failure
- Loss of independent existence
- Loss of limbs
- Loss of speech
- Major organ failure (on waiting list)
- Major organ transplant
- Motor neuron disease
- Multiple Sclerosis
- Occupational HIV infection
- Paralysis
- Parkinson's disease and specified atypical Parkinsonian disorders
- Severe burns
- Stroke

Covered illnesses may vary by insurance company.