

# Critical illness cover, your questions answered

Protecting against the financial impact that a serious illness can cause

People are increasingly becoming more concerned about the possibility of being affected by a critical illness such as cancer, stroke or heart attack, according to new research findings<sup>[1]</sup>. This is reflected in the fact that searches for 'critical illness insurance' have skyrocketed, with, on average, 6,800 people searching for 'critical illness cover' every month, mostly asked on Google.

With rising rates of serious illnesses like cancer (one in two chance of getting it at some point in one's lifetime, according to NHS estimates), people are becoming more aware of their need to be covered and secure proper protection against critical illnesses.

In challenging times, the number one priority is to support those you love. The data is clearly highlighting that increasingly people want to find out more about how to protect their loved ones, especially if they become ill or seriously injured.

Answers to some of the most frequently asked questions around critical illness cover:

## **Q: WHAT IS CRITICAL ILLNESS COVER**

**A:** Critical illness cover provides a tax-free lump sum of money – or income – if you become seriously ill from a specified condition or suffer

from a life-altering injury. This type of insurance usually covers very serious and long-term conditions such as heart attack, Parkinson's disease or cancer. By investing in critical illness cover, you can take comfort in the knowledge that your family will be provided with financial support should they face a major health setback.

## **Q: HOW MUCH CRITICAL ILLNESS COVER DO I NEED?**

**A:** The cost and amount of critical illness insurance can vary depending on a number of factors, including age, health, smoking status, policy length, coverage amount and the kinds of illnesses included in the policy. Generally speaking, the more expensive and comprehensive the cover is, the higher the likelihood there is of making a claim on it. Therefore, purchasing a policy at an earlier age and maintaining a healthy lifestyle can result in lower premiums.

## **Q: DO I NEED CRITICAL ILLNESS COVER?**

**A:** Finding the right critical illness insurance policy is especially important for those with families to protect.

**Before deciding on any policy, it's important to ask yourself a few key questions such as:**

- What would happen if my family lost my income due to an illness?
- What financial changes would need to be made if I could no longer work because of an illness?
- Do we have any savings or other assets that can support us financially? Are we comfortable using them?

By answering these questions, you will be able to better understand your family's current and future financial context and choose a policy accordingly.



### Q: WHAT DOES CRITICAL ILLNESS INSURANCE COVER?

A: Critical illness insurance can be a great way to help protect yourself and your family in the event of an unexpected illness. Insurers offer a variety of policies that cover different illnesses, with some even offering coverage for less serious or earlier stage illnesses. Additionally, many insurers offer multiple levels of payout depending on the severity of the illness, ensuring full coverage if you are faced with a really serious health condition.

Furthermore, almost all policies also provide cover for children against certain illnesses. This protection can provide your family with financial support in difficult times, such as when extra costs may be required for private treatment or lost income during periods of caregiving.

### Q: WHAT ILLNESSES ARE COVERED BY CRITICAL ILLNESS INSURANCE?

A: When it comes to critical illness insurance, most policies will cover cancers, heart attacks and strokes as a minimum. Depending on the insurer, you may be able to get coverage for more than 50 additional

illnesses such as organ transplants, blindness and deafness. It is important to obtain professional advice to make sure you obtain the right policy that provides the best coverage for your and your family's specific needs.

### Q: WHAT CANCERS ARE COVERED BY CRITICAL ILLNESS INSURANCE?

A: There are over 100 different types of cancer, and some may be excluded from critical illness cover. Before recommending a policy, we'll explain the details of your cover to ensure you understand what illnesses you are covered for.

Even if you don't have dependents or family members who rely on you financially, critical illness insurance can still be beneficial. It can provide financial relief when you're unable to work due to an illness but still need to keep up with household bills.

### Q: DO I NEED CRITICAL ILLNESS COVER AS A RENTER?

A: Even if you rent your home, critical illness insurance is essential for those who have dependents relying on them financially. A tax-free

cash payout from a critical illness policy can provide much needed support in the event of an illness or injury during the policy period. ■

### DO YOU NEED CRITICAL ILLNESS OR SERIOUS ILLNESS COVER?

Critical illness insurance provides a helping hand for you and your loved ones when it is needed. For support when you need it most, for you and your loved ones, please contact us for more information. Don't leave it to chance.

Source data:

[1] Data Collection from Semrush and Google Trends in September 2022 – LifeSearch 02.10.22

