

The following educational email is provided as a service by:

James J. Hargan, BA

Insurance and Financial Advisor

416-903-9078

Life, Disability and Critical Illness Insurance

[www.jameshargan.com](http://www.jameshargan.com)

Your doctor just told you you have cancer.

Tomorrow while driving to work you suffer a heart attack or stroke.

You are scheduled for bypass surgery in 4 weeks time.

Sure you've got lots of life insurance but you will probably survive.

Disability insurance is great but only covers a percentage of your income.

### **What do you do next?**

Being diagnosed with cancer or having a heart attack or stroke these days is not a terminal diagnosis, but living through and surviving their impact can be life altering and possibly have devastating financial effects. You may need to take time off work. You may need to pay for costly medications not covered by OHIP.

What if you had a way to take care of these financial impacts, for less than the cost of a cup of coffee per day?

You have auto insurance in case your car becomes damaged in an accident. You have property insurance in case your house becomes damaged. Well now you can insure your financial future in case you are diagnosed with a critical illness or debilitating disease -- it's called Critical Illness Insurance.

Here are some basic facts about this new type of coverage to assist in your education.

### **What is it?**

A critical illness plan provides a lump sum benefit in the event you are diagnosed with or, in some cases, require surgery for the insured critical illnesses. There are over 20 covered conditions with the primary ones being cancer, heart attack, stroke and coronary artery disease requiring surgery.

Through this innovative solution you can collect a benefit up to \$2,000,000 and use that money any way you choose to assist in your recovery.

## **Why do I need it?**

Despite our great public health care system, a lot of medical costs go uncovered either by OHIP or personal insurance plans. Where will the money come from to cover these costs? Will you have to go into more debt? Withdraw from your RRSP's? Something will suffer. This benefit will allow you to:

- Access quick and expert medical service anywhere in the world
- Pay for specialized, alternative or experimental medical treatment
- Pay for private nursing or child care
- Pay for physiotherapy or to modify your home to accommodate your special needs

## **Is it worth it?**

The products we sell are backed by some of the largest providers of insurance coverage in Canada. They offer competitive prices and ensure a good quality product that will be there when you need it. But if you don't need it and never make a claim you get all your money back! Guaranteed!

## **I get all my money back?**

Most policies have a return of premium feature. If you never make a claim, you will receive 100% of all premiums paid as early as year 15 if not sooner!

## **Am I eligible?**

If you are in fairly good health then you are eligible even if you have a family history. If you have ever had one of the covered illnesses you would not be eligible.

## **How much is it?**

Rates are comparable to life insurance rates for similar time periods. But unlike life insurance, which may expire without you ever making a claim, this product guarantees a 100% return of premium.

## **What it isn't!**

Critical illness insurance does not replace disability insurance. Disability insurance replaces a percentage of your income should you not be able to work. If you contract a critical illness you may not meet the definition of disability and therefore not be eligible for disability insurance. If you do meet the definition you are only being paid a percentage of your income not the entire amount so you are already starting from a negative position. So there is room for both in any insurance portfolio.

## **Changes Coming?**

Proposed changes in the UK, where CI has been around for a while and claims have been quite high, are trying to tighten up on definitions and reduce claim payments since detection rates are increasing with enhanced medical technology. Will those changes come to the Canadian market? I'm sure the market is likely thinking about it. If you want to get a 2006-style CI policy, you have to buy one soon.

## **Next Steps?**

If you haven't heard from us already someone from my office will be calling to discuss this further. If you can't wait for the call please contact me and I'd be glad to set up a time to discuss this program.

Do you know someone that might have an interest in critical illness insurance? Please forward this newsletter to a friend or relative that would benefit from this information. I would be happy to answer any questions they may have and add them to my regular distribution. Thanks for your time!

James J. Hargan, BA  
Insurance and Financial Advisor  
416-903-9078  
Life, Disability and Critical Illness Insurance  
[www.jameshargan.com](http://www.jameshargan.com)

*All material provided in this email is provided for informational and educational purposes only. Consult an advisor regarding the applicability of any opinions or recommendations with respect to your own financial situation.*