

INSURANCE INFORMATION

**This insurance information is provided by Glen Oliver & Associates Financial Consultants Inc.
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“Some survivors have reported roadblocks or challenges when they attempt to secure Life Insurance or Health Insurance, and as a result, assume that they are universally ineligible for coverage because of their medical history. This is definitely not necessarily the case. It all depends on what type of coverage you are trying to secure, the details of your own personal medical history, and most importantly, the path taken to apply for coverage.

Glen Oliver, CFP, CLU, CH.F.C. is a financial planner and insurance professional with sixteen years experience helping clients navigate their options for personal financial security. A long-time POGO supporter, he has provided the following tips to help survivors better understand the application process and increase their chances of being approved for the insurance coverage they (and their families) need:

- *Never* assume that you are universally uninsurable, or can't get some level of coverage because of your medical history.
- In many cases, bank-offered mortgage life insurance, credit insurance, optional group life insurance offered through an employee benefits program, and optional group life insurance offered through credit card or alumni association, do *not* require the completion of a comprehensive personalized medical underwriting review, and *may* simply not cover individuals with a history of cancer. Many survivors applying for these types of coverage will be declined outright very early in the application process simply because that particular type of application process does not closely examine the details of the applicant's personal medical history. It's more of a streamlined "yes" or "no" underwriting done on a pooled group basis. This *may* not be the best route for a survivor with a complicated medical history seeking insurance.
- On the other hand, most individually held life insurance policies, provided by *any* of the major life insurance companies in Canada, require a detailed and comprehensive underwriting review process. This should not be difficult for the applicant at all. The process is comprehensive in terms of medical questions, basic medical tests (blood and urine samples), and copies of existing written reports and test results secured from *the applicant's* personal physician/specialist. This is going to allow the insurance company to better understand and assess *the applicant's individual* personal health risk.
- Insurance companies have the ability to offer a policy at Standard Premium Rates, Preferred Premium Rates (however not likely if there is a medical history), and most importantly, a wide scale of Sub-Standard Premium Rates. Survivors may get the life insurance coverage they want, albeit at a multiple of the Standard Premium Rate, based on their personal increased medical risk. What's more, the medical rating assigned to the survivor applicant can be submitted for reconsideration any time. Insurance companies also have the option to Decline coverage altogether, or offer to reopen the file and re-examine your medical record for consideration at a later date. This is a very real possibility for those with a history of cancer, but definitely not a forgone conclusion.
- In those circumstances where no coverage can be offered, or even considered through regular insurance channels, there are specialty insurance providers that will offer coverage for a price. You may have to search high and low with a knowledgeable insurance professional at your side, and it could be quite expensive to secure, but *some* company *somewhere* is almost always willing to take on a particular risk for a particular price.

- There is also the option of Non-Medical Coverage, where no medical history is required to be provided at all. The cost is pooled among thousands of other individual applicants, most of which are typically of sub-standard health, or else they would have applied for substantially cheaper rates on their own if they could qualify. This coverage is usually very expensive for the amount of insurance you get, and often limited to extremely small amounts of insurance (i.e. \$25,000. or less).
- It's almost always better to fully disclose one's medical history in detail, and pay the corresponding price, for a policy that you can be confident will pay out when you and your family expect it to. Full disclosure = no surprises.
- Some people wonder whether they are better off not revealing details of their medical history for fear of being "locked out" of getting coverage in the future. The fact is any short list application process of only a half dozen check mark health questions will most likely include an all encompassing question like "Do you now have any disability, disease, or health problem, or are you under treatment by diet, medicine, or other means". This means you're going to need to reveal your full medical history regardless. Alternatively, the policy contract may have wording that says the policy won't pay out if you die from an undisclosed ailment, or "pre-existing condition" within a period of time. My advice is... if you have a medical history... get what ever coverage you can in place as soon as possible, before your condition worsens... you can always go back and reapply later if your condition improves.... and always choose the underwriting process with the greatest amount of personalized detail, so there is no question about the quality of your coverage and the legitimacy of the contract based on full disclosure.
- Finally... a bit of a loophole here that should not be missed! any time that survivors have the opportunity to secure coverage through an Employer Sponsored Basic Group Benefit Life Insurance Plan without any additional medical evidence - just a standard employee enrolment form - providing coverage up to the Non-Evidence Maximum allowable under the plan... they should *definitely* take full advantage of the opportunity to *maximize* that coverage ... and know that they have a *contractual right to convert* this coverage to a *Standard Rate* individually owned life insurance policy with the same insurance provider within 31 days of being terminated from the company plan (if they ever leave the company plan for any reason what-so-ever). The coverage provided as a result of this *Non-Medical Conversion Option* will most likely be the cheapest and highest quality insurance someone with a complicated medical history will ever get.
- BEST TIP: Always engage the help and advice of a qualified insurance professional. It will save you time, money, frustration, and most likely result in the highest quality coverage for the best price. They know how to assess your needs, what your options are, and how to get it in place with the least amount of hurdles.

Glen Oliver CFP, CLU, CH.F.C. has graciously offered make himself available to answer questions from survivors, meet and provide personalized advice, and/or refer survivors from across Canada to a qualified insurance professional in their area. Please feel welcome to contact him directly for more information:

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