

LIFE & HEALTH INSURANCE INFORMATION FOR CANCER SURVIVORS
Provided to the Pediatric Oncology Group of Ontario (POGO)
by Glen Oliver & Associates Financial Consultants Inc.
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Many 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 more than twenty years experience helping clients navigate their options for personal financial security. A long-time supporter of the Pediatric Oncology Group of Ontario (POGO), 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) know they 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, creditors insurance, optional group life insurance through an employee benefits program, and optional group life insurance through a credit card or alumni association, do not undergo the same comprehensive medical underwriting review as an individual's insurance application made directly to an insurance company for an individually-owned policy. They *may* simply (as a rule) not cover individuals with a history of cancer.
- Many survivors applying for these types of coverage will be declined outright very early in the process simply because that type of application does not closely examine the details of an 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 medical underwriting review process. This should not be difficult for the applicant to complete. The process is comprehensive in terms of medical questions, 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 unique 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 such as cancer), and most importantly, a scale of sub-standard premium rates. Survivors may get the life insurance coverage they want at a multiple of the standard premium rate, based on their increased mortality risk. What's more, the medical rating assigned to the survivor applicant can be submitted for reconsideration at 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 should definitely not be taken as a sign that you are likely to be declined again in the future. For example, they may only approve people 10 years in remission and you are 8 years. So come back in 2 years and you could get that coverage.
- When absolutely no coverage can be offered 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 extremely expensive, 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 whom are typically of sub-standard health or else they would have applied for much 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 always important to fully disclose one's medical history as requested on the application, and then 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 revealing details of their medical history will negatively affect future applications for coverage. I would say that's not true. Your ability to qualify for coverage is always based on your current health, first and foremost, and your medical history secondarily. Most medical conditions have a set underwriting response and a set time period for you to be clear of symptoms or stable. The longer the better, which means an unfavourable response from the insurer can quite definitely change and improve over time, if you apply again later. The bottom line is, you need to answer the questions completely, regardless, or else your insurance claim could be denied on the basis of fraud. Most applications have catch-all questions like, "Do you now have any disability, disease, or health problem, or are you under treatment by diet, medicine, or other means." Or, "Have you ever had...", and they will be writing your doctor for details. So you can't avoid disclosing the truth... and you don't want to. Policies won't pay out if you die from an undisclosed ailment, or "pre-existing condition" within a set period of time. So your best advice is to be upfront and honest, with full disclosure, ensuring the quality of the coverage you get... as opposed to getting coverage that you know may not pay out in the future if details were omitted.
- Finally... a bit of a loophole here that should not be missed! Any time that survivors have the opportunity to secure coverage through an employee benefits plan - without providing any medical evidence just a standard employee enrolment form - they should *definitely* take full advantage of the opportunity to maximize that coverage. 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 a company employee benefits plan (for any reason). 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 who you trust. It will save you time, money and frustration... and most likely result in the highest quality coverage for the best price. They know how to assess your needs, explain the options and get a policy in place with the least amount of hurdles.

Glen Oliver CFP, CLU, CH.F.C. has graciously offered to make himself available to answer questions from survivors, provide personalized advice, and if need be 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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