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*Q: I continue to hear a lot about critical illness insurance. What does it cover? How does it work?*

## HISTORY OF CRITICAL ILLNESS INSURANCE

A world-renowned heart surgeon in South Africa, Dr. Marius Barnard, noticed that although many of his patients were able to *physically* recover from critical illnesses, their bank accounts never returned to normal. Financial stress often worked against recovery or, in most cases, left patients struggling to pay bills as they resumed their lives. Working with an insurance company, Dr. Barnard helped to create the world's first critical illness policy.

## STATISTICS

The statistics for you contracting a critical illness or condition are staggering. Here are just a few:

### Men

- One in 2.4 men will develop cancer
- One in two men will develop heart disease

### Women

- One in 2.7 women will develop cancer
- One in three women will develop heart disease
- One in nine women will develop breast cancer

## HOW IT WORKS

A \$100,000 critical illness insurance policy will pay you a tax free lump sum of

\$100,000 should you be diagnosed with a covered condition. You are entitled to collect the entire benefit even if you make a full recovery, and the money can be used for anything you wish—that is the point of the insurance!

## WHAT THE MONEY CAN BE USED FOR

There is absolutely no restriction on what you can use the money for. My clients that were fortunate enough to have a policy used the money to:

- Jump the waiting list in Canada and pay for specialized treatment in the U.S.
- Replace lost income
- Pay down a mortgage or other debts
- Help a business endure during recovery
- Take a vacation

The key here is that your financial stress will be eliminated so you can concentrate on a full and healthy recovery.

## COVERED CONDITIONS

The most common claims made on critical illness insurance policies shouldn't be surprising: cancer, heart attacks and strokes. Most policies cover these illnesses, as well as the following:

- Alzheimer's disease
- Aortic surgery
- Benign brain tumour

- Blindness
- Coma
- Coronary artery bypass surgery
- Deafness
- Heart valve replacement
- Kidney failure
- Loss of limbs
- Loss of speech
- Major organ transplant
- Motor neuron disease
- Multiple sclerosis
- Paralysis
- Parkinson's disease
- Severe burns

## COST

Premiums are based on your age, sex, smoking status, health and the amount of coverage you purchase.

## RECEIVE YOUR MONEY BACK

Many policies provide the option of receiving 100 per cent of your paid premiums back if you cancel the policy down the road and no claims have been made. This is an outstanding option.

I have seen firsthand the enormous financial relief this insurance provides people so they are able to concentrate solely on a full recovery, and I highly recommend this type of insurance policy for everyone. As always, feel free to email me at [jswanson@bmfsg.ca](mailto:jswanson@bmfsg.ca) for further information. 