

# Critical illness



Whether your client feels the best care for their illness is in the USA, UK, South Africa, the UAE or France, knowing the expense of treatment can be reimbursed and that they will have access to the right treatment for their illness is a crucial step to getting better.

The realities of living in our modern world are that advances in medical technology, surgical techniques and earlier diagnosis, mean people are more likely than ever before to survive a serious illness. In today's globalised world, medical technologies are not just available in one place, and treatment can be arranged almost anywhere.

## Critical illness cover

### History

Critical illness cover is a relatively new product development. It started in 1983 when a well known South African doctor (Dr Marius Barnard) teamed up with Crusader Life insurance company to develop and launch the first ever critical illness insurance policy.

Dr Barnard explained his thoughts as to why in 2005:

*"I realised that while life assurance is great for insuring lives, the majority of people need insurance because they are going to live, not because they are going to die."*

The policy covered 4 conditions and aimed at giving financial support to clients who had survived a critical illness. His legacy is that today, critical illness cover is offered by insurance providers the world over, continuing to help those people who survive.

### The future

In 2009, a full 26 years later, Royal London 360° launched our life and critical illness policy LifePlan. Offering critical illness cover for the international market, LifePlan covers a wider range of conditions than Dr Barnard's policy, but has the same ethos that drove the original development.

LifePlan offers cover for a range of conditions and procedures:

- Aorta graft surgery
- Blindness
- Cancer
- Coma
- Coronary Artery by-pass graft
- Deafness
- Disability \*
- Heart attack
- Heart valve replacement/repair
- Kidney failure
- Loss of independent existence \*
- Major organ transplant
- Motor neurone disease
- Multiple sclerosis
- Paralysis of limbs
- Stroke
- 3rd degree burns

**Number of people expected to die from cancer per year by 2030: <sup>1</sup>**

**11,500,000**

**Number of people who suffer a stroke each year: <sup>2</sup>**

**15,000,000**

**Percentage of stroke victims who lose their lives or are permanently disabled: <sup>2</sup>**

**66%**

<sup>1</sup> Source: World Health Organisation

<sup>2</sup> Source: World Heart Federation

\* Disability and loss of independence are part of the benefits of long term care and total permanent disability

You can count on us

**ROYAL  
LONDON**  
**360°**

The expense of critical illness cover can be high, and early in our product development we recognised that our clients need cover at an affordable price.

LifePlan's flexibility allows clients to choose any amount of critical illness cover between the minimum of USD45,000 and either the maximum of USD750,000 or 100% of the total life cover (whichever is lower) to be taken.

Critical illness cover under LifePlan is an acceleration of the total life cover. This means once a valid claim has been made and paid, the total life cover is reduced by the amount of critical illness cover paid out. This acceleration of the life cover means the costs of providing this benefit is lower than a stand alone critical illness policy. LifePlan can be structured so that the client is free to select the amount of cover they need.

**The critical illness cover can be used to help clients in a number of ways:**

- to pay for rehabilitation
- refurbishments to a house
- replace lost income
- to pay off debts
- pay for costs of treatment

The long term impact on people and their family of any critical illness is high, and yet with the right support and planning this need not ruin them financially. The financial support of any critical illness cover could make this situation more manageable.

**Important notes**

For Financial Advisers only. Not to be distributed to, nor relied on by, retail clients.

Full definitions of the relevant conditions or procedures can be found in the LifePlan *Terms and Conditions*.

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