

Individual Disability Income Protection

Frequently Asked Claim Questions

At RBC Insurance®, we recognize that a serious illness, disability or ongoing illness creates emotional, physical and financial challenges. That's why we do everything we can to help support you and your family while you're recovering.



Q. Am I still covered under my policy if I am not working when I become disabled?

A. Up to age 65, if your policy has continued in force by the payment of premium, neither unemployment, sabbatical, retirement, nor a change in occupation, etc., will, on its own, be a bar to making a claim under the policy.

In evaluating any claim under the policy, we would consider why you were not working when you became disabled, and the status/relevancy of whatever your most recent “regular occupation” was. For example, if you were unemployed when you became disabled because you had retired, or because you had left your prior occupation to look for a different type of occupation, we would assess the claim based on whether the sickness or injury disabled you from performing the duties of any occupation for which you are reasonably suited by education, training and experience. We do not base the evaluation on activities of daily living or the duties of an

unemployed person. Note that with some policies, where the benefit amount is based on your pre-disability earnings, the amount of your disability benefit may be reduced if you are not working when you become disabled.

Q. Am I covered under my policy if I leave the country?

A. If your policy does not contain an exclusion or limitation for foreign travel or residence and if premiums are paid to keep your coverage in force, any claim that you submit while outside of the country would be assessed the same as any disability claim, under the terms of the policy. This would include, but would not be limited to, the policy requirement that states you must be receiving regular care, appropriate for the condition causing disability, from a legally qualified physician other than yourself or a family member. Please also bear in mind that all medical documentation must be provided to us in English or French.

Q. Is there any change to my policy if my business incorporates?

A. The fact that you incorporate your business after your policy has been issued would not invalidate any claim that may be submitted, but it may change the manner in which we determine how much income you earned or are earning, pre- and post-disability.

In determining the amount of earned income, we consider the net income of the corporation before income taxes, provided this income is earned and you are entitled to it. To these earnings, we would also add back any wages paid to you or related persons. Please note that dividends are generally not considered earned income.

Q. Am I covered under my policy after I turn 65?

A. Generally, you can elect to continue the policy after age 65, but the amount and type of coverage reduces, especially if you do not continue to work full-time. We consider full-time as a minimum of 30 hours per week. In order to determine full-time work, we would require you to be actively engaged in your occupation, performing all of the duties of that occupation. We would also require you to be earning income from the occupation. Documentation that can be submitted to support full-time work may include, but is not limited to:

- Tax returns, pay stubs
- Invoices, billings
- Work orders
- Appointment records

If you continue to work full-time, some policies allow you to continue your disability coverage, but only coverage for Total Disability (not for Residual or Partial Disability) and the maximum benefit period generally reduces to 2 years.

If you are not working full-time, some policies allow you to continue the policy, but the coverage will be limited to a Hospital Daily benefit, subject to a limited benefit period.

Q. Am I covered under my policy if I have an exclusion on my policy?

A. Generally, coverage for a claim is excluded if the cause of the disability is the subject of the exclusion added to or contained in a policy. In the event that a claim is submitted, we would review the medical and other circumstances that caused you to become disabled in order to determine whether they fall within the terms of the exclusion.

Q. Do I have to provide proof of income at time of claim?

A. Frequently, you will have to provide information related to your earnings, even if the policy does not contain any relationship to earnings, offset or integration provisions. Such information is often necessary to understand the requirements of your occupation and what the important duties of your occupation are. We will often require copies of income tax returns, notices of assessment and other financial statements related to your occupation/business, both for the purpose of understanding your occupation, but also to verify your earnings, or the absence of earnings, both pre- and post-disability.

The assessment of a disability claim is often complex. As a result, until we are actually presented with a claim and given the opportunity to conduct a complete review of all of the particular circumstances at the time of the claim and the specific provisions of the particular policy in question, we are unable to determine whether or not benefits would be payable based on hypothetical circumstances. There simply are too many potential factual and contractual variations that cannot all be anticipated or taken into account in advance that may impact the assessment of a future claim.



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