



Let's talk about...  
Critical Illness (CI) Insurance





# Let's talk about...

## Critical Illness (CI) Insurance

Critical illness insurance is a form of insurance protection that provides a tax-free,\* lump-sum benefit to your client upon diagnosis of a covered condition as defined in their contract. Your client can use the benefit payment however they choose, without restriction.

We understand that discussing critical illness insurance with your clients, and helping them understand the need for this product, can sometimes be a challenge. The key is helping your client understand that *surviving* a critical illness comes with consequences, too.

\* Under the Income Tax Act (Canada) and at the date of publication, the receipt of Critical Illness Benefits is not currently taxable. ivari does not guarantee nor is it responsible for the tax treatment applicable to this policy feature. Clients should consult their legal or tax advisor for an opinion on this matter in relation to their particular circumstances.

### **The healthier your client is, the more they need CI protection**

Clients will often feel that they are healthy and so they don't need a product like CI. What they may not understand is that the healthier they are, the more likely they are to survive a critical illness. It's living through the treatment process and surviving the illness that can cause financial hardships for many people.

### **Some of these financial stresses they may have already considered, like:**

- Loss of income
- Out-of-pocket medical expenses

### **But some other expenses may come as an unwelcome surprise:**

- Childcare, if the primary caregiver becomes ill
- Travel expenses for treatment (gas, hotel, car rental)
- Homecare services (domestic and personal care)
- Flights for family to visit and lend moral support

## Let's talk about...what's covered

Our Critical Illness Protection can be purchased as a 4-condition or 25-condition policy.

The 4-condition policy offers your clients a more cost-conscious option while still covering conditions that generate 85%\*\* of claims.

The more comprehensive 25-condition coverage has the added benefit of covering five childhood conditions until the child is 24 years old. Plus, it offers some other benefits, as well.

Please note that a more detailed description and definition of each of these conditions and their associated exclusions, limitations and survival periods, is set out in the policy contract. Any illness, disorder or surgery not specifically defined in the contract is not covered.

\*\* The 4-condition product includes coverage for cancer, heart attack, stroke and coronary bypass. This figure is based on incidence rates and industry claim statistics.



## Critical Illness Covered Conditions

### 4-condition coverage

- Cancer (life-threatening)
- Heart attack
- Stroke (cerebrovascular accident)
- Coronary artery bypass surgery

### 25-condition coverage (also includes 5 childhood conditions)

- Alzheimer's disease
- Aortic surgery
- Aplastic anaemia
- Bacterial meningitis
- Benign brain tumour
- Blindness
- Cancer (life-threatening)
- Coma
- Coronary artery bypass surgery
- Deafness
- Heart attack
- Heart valve replacement
- Kidney failure
- Loss of independent existence<sup>†</sup>
- Loss of limbs
- Loss of speech
- Major organ transplant
- Major organ failure (on waiting list)
- Motor neuron disease
- Multiple sclerosis
- Occupational HIV infection
- Paralysis
- Parkinson's disease
- Severe burns
- Stroke (cerebrovascular accident)

### The following five (5) childhood Critical Illness Covered Conditions are included up to the child's 24th birthday:

- Cerebral palsy
- Congenital heart disease
- Cystic fibrosis
- Muscular dystrophy
- Type 1 diabetes mellitus

<sup>†</sup> Loss of independent existence does not apply until the age of 18 for a child coverage at which time it is automatically available.

## Let's talk about...combined banding

*ivari* will combine the critical illness benefit amounts of all CI coverages for the same insured to determine underwriting requirements and premium rates. Please refer to the Underwriting Guide for complete information about combined banding issue amounts, COI and underwriting requirements.



## Let's talk about...benefits

Critical illness policy from *ivari* offers your client the following benefits:

**Critical Illness Protection Benefit** – Provides a one-time, lump-sum payment if the life insured is diagnosed with one of the Critical Illness Covered Conditions and survives the 30-day survival period.

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**Early Detection Benefit (Available on the 25-condition policy only)** – Provides a one-time, lump-sum payment\* per policy if you are diagnosed with one of the Early Detection Covered Conditions and survive the 30-day survival period.

\* The early detection benefit is the lesser of:

- a) 15% of the then current critical illness benefit; and
  - b) \$50,000
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**Return of premium on death benefit** – Provides a one-time, lump-sum payment upon the death of the life insured, however, it is not payable if the Critical Illness Benefit has been paid or is payable.

### An extra feature from *ivari*

**Expert Medical Opinion Service (EMOS)** is a no cost benefit that is provided by Advance Medical. EMOS provides clients with the opportunity to have the world's leading medical experts review their medical case and provide their treating physician with a report that includes diagnosis and recommendations.

Your client's immediate family\*\* can access this service at no additional cost, too. This service can be accessed at any time for any medical condition without the diagnosis of a Critical Illness Covered Condition. While the Critical Illness Protection coverage is in force and within one year of its expiry, there is no limit on the number of times this service can be accessed.

\*\* To determine which immediate family members are eligible, please contact Advance Medical at 1-888-259-5765.

#### **MORATORIUM PERIOD EXCLUSION: 90 DAY EXCLUSION FOR CANCER AND BENIGN BRAIN TUMOUR**

The 90-day exclusion period refers to the first 90 days the contract is in force or the first 90 days after reinstatement. If, within this period, your client, as the insured person is diagnosed with any cancer or benign brain tumour, or has signs or symptoms that lead to a diagnosis of cancer or benign brain tumour at any time, they will not be eligible to receive the Critical Illness Benefit or Early Detection Benefit for the diagnosis of cancer or benign brain tumour or a covered condition directly resulting from or the treatment from any cancer or benign brain tumour while the policy is in force.

In this exclusion, the term "any cancer" includes all cancers and benign brain tumour, even if they would not have been covered under the definitions of cancer for a Critical Illness Covered Condition or an Early Detection Covered Condition.

The information about signs, symptoms, investigations and diagnosis as described above must be provided to us in writing within six (6) months of the date of diagnosis. If the information is not provided during this period, we have the right to deny any claim for a Critical Illness Benefit or an Early Detection Benefit for any cancer or any Critical Illness Covered Condition or Early Detection Covered Condition caused by any cancer, benign brain tumour or its treatment. Please refer to the contract for a more detailed explanation of the moratorium period exclusion.

## Let's talk about...types of coverage

Coverage Type	Term 10	Term 20	Term to age 65
<b>Coverage description</b>	Renewable and convertible Term 10 critical illness coverage with premiums that are scheduled to change every 10 years.	Renewable and convertible Term 20 critical illness coverage with premiums that are scheduled to change every 20 years.	Convertible Term to age 65 critical illness coverage with level premiums to age 65.
<b>Expiry age</b>	75	75	65
<b>Renewability options</b>	Renewable with guaranteed premiums that increase every 10 years.	Renewable with guaranteed premiums that increase every 20 years.	None
<b>Coverage option</b>	Available as single life and multiple life plans.	Available as single life and multiple life plans.	Available as single life and multiple life plans.



## Two ways for clients to buy CI from ivari.

There are two ways your clients can benefit from critical illness coverage from *ivari*. Clients can purchase CI protection as a rider on their new or existing life insurance policy,\* or they can purchase it on its own as a standalone product.

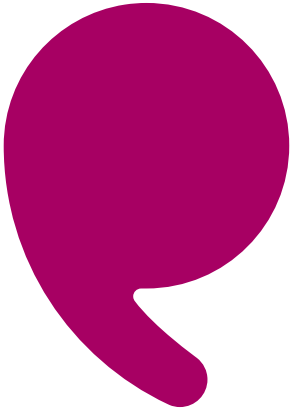
\* They can purchase additional life coverage for their current life insurance policy and add a Critical Illness Protection Rider to it. The Critical Illness Benefit cannot exceed the life insurance face amount of the life coverage purchased with the Rider. Inforce critical illness coverage from all sources cannot exceed a total of \$2,000,000. On select plans only.



Let's talk about...  
Critical Illness Protection –  
as a rider

Let's talk about...  
Critical Illness Protection –  
on its own





Let's talk about...  
Critical Illness Protection Rider



## Let's talk about...Critical Illness Protection – as a rider

Purchasing critical illness insurance as a rider means that it is attached to a life insurance policy and your client has to purchase it at the same time as their life insurance coverage. They can do this in one of two ways:

1. They can purchase a new life insurance policy from *ivari* and add a Critical Illness Protection Rider to it.\*
2. They can purchase additional life coverage for their current life insurance policy and add a Critical Illness Protection Rider to it.\*

\*The Critical Illness Benefit cannot exceed the life insurance face amount of the life coverage purchased with the Rider. Inforce critical illness coverage from all sources cannot exceed a total of \$2,000,000.

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### Let's talk about...bundling

By combining, or bundling, an *ivari* term or universal life insurance policy with our Critical Illness Protection Rider, your clients may see an average savings of up to 15%\* over purchasing these products separately, and there's no additional policy fee.

Plus, after two years, if your client's situation changes and they no longer need their life insurance coverage, but want to keep their critical illness insurance, they can split the Critical Illness Protection Rider from the life policy and continue the protection as a standalone critical illness insurance policy.

\* Based on a 25-condition policy with an average critical illness benefit amount of \$80,000.

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Critical Illness Protection



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If your client has enough life insurance for their needs, another way to add an extra layer of protection is to purchase Critical Illness Protection on its own.\*

Critical Illness Protection from *ivari* offers the same great features as our Critical Illness Protection Rider with the addition of the waivers that your client can purchase to truly customize their protection plan.

\* Policy fee applies.

## Let's talk about...protecting their coverage

Has your client considered what would happen if they became disabled by a condition other than a Critical Illness Covered Condition and they were unable to pay their premiums? A waiver attached to their Critical Illness Protection policy would allow them to keep their valuable coverage in effect even if they became disabled.

**Waiver of Premium** – This rider waives the premium if the person insured under this rider is considered totally disabled before age 65.

**Payor Waiver of Premium\*\*** – This rider, which is attached to a policy on the life of a child, waives the premium if the person responsible for paying the premiums dies or is considered totally disabled before age 65. Premiums will continue to be waived until the child is age 25.

\*\*Available on select plans only.

With a national network of thousands of independent advisors, *ivari* provides a full range of insurance products designed to help Canadians make the right choice for their protection needs. The people, products and service that make up *ivari* have stood the test of time and have been around for over 80 years in the Canadian marketplace. Through our commitment to always being approachable and transparent in everything we do, we are dedicated to starting a fresh, new conversation about insurance. And we will stand by our word. Visit us at [www.ivari.ca](http://www.ivari.ca).



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