



# Specialty Wealth & Financial's Solutions Newsletter:

Financial Planning, Insurance, and Investment Solutions  
*From the Ordinary to the Extraordinary*

Specialty Wealth & Financial Solutions Newsletter

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[www.SpecialtyWealth.com](http://www.SpecialtyWealth.com)

## Critical Illness Insurance

What would happen to your income if you became critically ill?



If you or one of your family members became critically ill in the future, how would your financial picture change? Typical working families have two incomes, 2.5 children, debt including mortgage and credit and other responsibilities to pay utilities, save money, and maintain a chosen lifestyle. Business owners and those who are self-employed take on the extra responsibility of keeping business operations running to maintain an income, sick or not.

What coverage do you have from your work or business if you experience an extended illness? You may find that a percentage of your income will be covered for a limited time. Or, if you are self-employed, you may not have an income replacement plan in place. What options would you have available to replace income?...friends and family, borrowing against assets, or depleting savings are common ways to generate helpful funds, but to anticipate the long term financial needs of caring for a sick family member or yourself, it may be time to look at critical illness coverage. A fourth option is to receive funds from an insurance company.

Purchasing critical illness insurance helps transfer the risk to the insurance company and can reduce stress for someone who suffers from a disease that prevents them from working due to a covered critical illness, like a heart attack or stroke. How?

It can reduce the number of financial decisions that need to be made at the time of claim and cash flow concerns may be lessened. A major change in health is stressful enough emotionally and physically for the individual involved and their family. Reducing financial stress allows more time to be spent on recovery. In addition, optional benefits are available which allow the possibility for you to get a return of premium benefit.

## What is critical illness?



**Critical illness: A life threatening or life altering condition that often strikes with little or no warning.**

**1 in 2 men and 1 in 3 women are predicted to develop heart disease in their lifetime. \***

**2 in 5 Canadians will develop cancer.\*\***

**With modern medical advancements you are far more likely to survive the illness than die from it.**

**Critical illness insurance** provides a lump sum of funds at times when you need to cover costs and pay debts. You will be able to use the funds as you choose, such as:

1. reduce mortgage
2. Explore treatment options
3. Income replacement for family member who is providing care
4. Payment of operating expenses for a business.

**Optional benefits may be available to help:**

1. reduce the overall cost of the insurance (Return of premium riders)
2. provide a reduced lump-sum benefit for a specified second condition (Second Event Rider)
3. Increase the benefit without further medical underwriting (Automatic Increasing Benefit option)

[Talk to your financial  
security advisor.](#)

## Heart and Stroke Statistics

- ♦ 70,000 Canadians suffer heart attacks every year, that's one attack every 7 minutes
- ♦ The leading cause of hospitalization in Canada continues to be heart disease and stroke, accounting for 16.9% of total hospitalizations (19.8% of all hospitalizations for men and 14.0% for women (PHAC, 2009)
- ♦ 80 per cent of stroke patients survive the initial event.
- ♦ 40,000 to 50,000 Canadian suffer a stroke each year.
- ♦ Nine in 10 Canadians (90%) have at least one risk factor for heart disease or stroke (smoking, alcohol, physical inactivity, obesity, high blood pressure, high blood cholesterol, diabetes). (PHAC, 2009)

\*Source: Heart and Stroke Foundation, Canada 2014, [www.HeartandStroke.com](http://www.HeartandStroke.com)

## Cancer Statistics

- ♦ 63% - the likelihood of Canadians with cancer surviving 5 years relative to the general population
- ♦ 1 in 4 people will die of cancer in Canada in 2013
- ♦ Each hour, an estimated 21 people will be diagnosed with cancer in Canada in 2013.
- ♦ 88% of Canadians who develop cancer are over the age of 50

\*\*Source: Canadian Cancer Society, [www.cancer.ca](http://www.cancer.ca)

## Financial Planning

Protect your investments and savings in the event of a critical illness



Critical illness insurance can provide financial assistance at a difficult time and can help reduce or eliminate the need to withdraw from investments should a significant change in your health occur. An unexpected illness can prevent you from working for a length of time, perhaps years.

*For example:*

1. A 35 year old contributes \$300/month into an RRSP earning 6% annually. If they stop for just three years, they will have saved \$59,687 less at age 65.

2. A woman, age 45, is diagnosed with a life-threatening cancer and she needs funds for some out-of-pocket treatment related expenses and so her husband can take time off work to help care for her. They cash in some investments as a result. One year later, she recovers. The impact to her life expectancy as a result of the illness is uncertain but if her husband remains healthy, it's reasonable to believe he could live into his late 70's or early 80's meaning retirement remains an important event to plan for.

With the withdrawal from their retirement plan:

- ♦ How long will it take to save what they took out and to make up lost growth?
- ♦ Will it impact when they can retire?
- ♦ What if her health impacts the level of income she is able to earn?
- ♦ If they can't make up the loss (what they took out + lost growth potential), what is the potential impact to lifestyle during, what could be, 20 to 30 years of retirement?

Retirement goals can be affected and you don't want to have to sell off assets or dip into savings. Also, the risk to your children or grandchildren's future can be a factor, when using savings that were designated for other uses, such as education. Not certain if critical illness coverage would work with your financial plan? [Contact us for a quote.](#)

## Contact Us



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# Oasis Critical Illness Insurance

## What is Oasis™ critical illness insurance?

Critical illness insurance pays a one-time lump-sum benefit if you are diagnosed with a critical condition (as defined in the policy) and satisfy the survival period (usually 30 days). How you use the benefit is up to you. You may be covered for up to 25 critical conditions including heart attack, life-threatening cancer, stroke and multiple sclerosis.

## What if I never submit a claim?

It's simple: Consider adding a return of premium rider to your policy. This may return up to 100% of the eligible premium you paid if you elect a partial or maximum return of premium benefit on one of the optional return of premium dates or at policy expiry. You can also add the Return of Premium at Death rider, which may return the eligible premium paid for the policy in the event of death.



It's your Life. It's your Health. It's your Money.

Great-West Life  
Member of Sun Life Group

Who should look at Critical Illness insurance?

Anyone who can become critically ill.

To arrange a quote for coverage, contact us and provide some basic information.

A quote can be prepared and sent to you by email.

Contact our office by email today at:

[info@specialtywealth.com](mailto:info@specialtywealth.com)

[Oasis CI insurance](#) from Great-West Life provides a lump sum benefit payable if you are diagnosed with a critical condition as defined in your policy, and you satisfy the survival period.

**Coverage optional riders** include:

- ◆ Return of premium on expiry
- ◆ Return of premium on death
- ◆ Second event coverage
- ◆ Automatic increasing benefit
- ◆ Waiver of premium on disability

**Available Optional Benefits** - The enhanced critical condition rider includes:

Alzheimer's disease, aortic surgery, aplastic anaemia, bacterial meningitis, benign brain tumour, blindness, coma, coronary artery bypass surgery, deafness, heart valve replacement, kidney failure, loss of limbs, loss of speech, major organ failure on waiting list, major organ transplant, motor neuron disease, multiple sclerosis, occupational HIV infection, paralysis, Parkinson's disease, severe burns.

**Coverage types:**

Choose from Level or Decreasing coverage to suit your needs.

**Level Coverage** remains level until age 65, to age 75, (20 or 30 year pay), lifetime (paid up to age 100) or term 10 renewable to age 75.

Decreasing coverage decreases over 10, 15, 20, or 25 years.

**Child Oasis critical illness insurance**

Child Oasis is designed to provide families with the financial resources to help support recovery and care of a child in the event of a critical condition and help ensure the child's future insurability. Lump sum benefits of \$10,000 to \$250,000 are available, and coverage for a total of 24 critical conditions.

Other benefits of the plan include referral service from Best Doctors, counselling and support, return of premium optional benefits rider, and conversion options at age 25.

[Talk to your financial security advisor.](#)



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