

Critical illness insurance

What does Critical illness insurance cover?

- ✓ It pays a 'lump sum' (or some policies will pay an income) if you're diagnosed with a specific serious illness, for example:
 - Heart attack
 - Stroke
 - Certain types and stages of cancer
 - Conditions such as multiple sclerosis
- ✓ Most policies will also pay out if you're permanently and totally disabled after an injury or illness

It's not as important as life insurance but you might need it if you and your family depend on your income to cover the mortgage or other living expenses.

- ✓ Check whether you have an employee package that provides an income if you can't work for a long period – you might not need critical illness cover
- ✓ If you couldn't support yourself and your dependants if you were too ill to work, then you should consider critical illness or income protection cover
- ✓ If you can afford it – you can buy a combined life and critical illness policy
- ✓ A payout can make a big difference when you need it most, for example you could use it to pay off your mortgage
- ✗ Some cancers and 'chronic' conditions might not be covered, even if they mean you can't work
- ✗ Health problems you had before you took out the insurance are very unlikely to be covered