

Lifestyle Protection

By Chris Morgan

How many of you have protected your income, or lifestyle?

Recently we've been helping one couple to protect their main household income against serious illness. They currently have a policy in place to cover their basic mortgage payment, but are concerned they have no further cover protecting their standard of living.

Benjamin and Samuel have Critical Illness Cover attached to their Mortgage Life Assurance policy for £150,000, which is designed to pay off their mortgage should Benjamin suffer a serious illness or accident.

Benjamin Said,

'I've been a doctor for over fifteen years and have seen the effects that long term illness can have on someone's finances. I decided to keep my previous insurance policy in another country when I came to the UK, but this policy is due to finish'.

Samuel Continued,

'Ben suffers from Sleep Apnea and we've been quoted up to 100% on top of the basic premium for insuring his condition. We find this hard to believe because the condition is controlled overnight and his regular treatment is successful'.

Even though Ben is a doctor and his general health is good he is still required to declare his medical conditions on any insurance application. Before coming to us he was quoted £50.00 base premium, plus an extra £50.00 by a top insurance company for Income Protection.

Ben and Samuel see the need for Income Protection covering their main income in the event of Ben not being able to work, but want to find the best possible deal for their circumstances. They wanted to know if we could find them a better premium than £100 per month?

Here's some advice for people with pre-existing medical conditions taking insurance

Additional premiums and loadings due to medical conditions are all part of the pricing of insurance products. Effectively companies are free to charge whatever they choose for cover and the prices of insurance vary enormously for people with existing medical conditions.

Most insurance companies prefer to cover medical conditions instead of excluding them on policies. Loadings to basic premiums tend to be offered at increased rates from plus 50% through to plus 250% for more serious medical conditions and ailments.

In some circumstances an insurance company may decline to cover a particular condition, or decline a policy altogether. We recommend that anyone being offered an increased premium due to medical reasons always gets independent advice.

And Benjamin and Samuel?

After checking all Insurance companies available to us we found Income Protection for Ben at their basic premium of £67.00 per month. This cover included insurance for Ben's sleep apnea at their standard premium without any exclusions.

Even if your circumstances are unusual it doesn't necessarily mean you should pay more !

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