

Insurance Solutions September Newsletter



A look at some important trends that will affect you

Thoughts to Consider

The average cost of dying in the U.S. is about \$19,566 today, but the problem with current medical technology is that you live... modern medical advancements make survival of a critical illness a reality:

Heart Attack	60% survival
Stroke	70% survival
Breast Cancer	87% survival
Prostate Cancer	98% survival

While 75% of all healthcare dollars are spent on these claims, the most significant point is that **52% of all bankruptcies are caused because of these claims** – even though 59% of these people had health insurance.

Evidence shows that health insurance does not provide the financial protection necessary in the event of a critical illness. That's because many of the costs associated with these illnesses are not covered by health insurance... high-cost prescriptions, loss of work during rehabilitation, travel costs for specialized care... and more.

There are two ways to reduce this risk:

- **Critical Care Insurance** – this is an independent policy that pays a cash amount upon the diagnosis of a critical illness. You may use the funds as you deem appropriate.
- **Life insurance (Indexed Universal Life) with critical care rider** – this approach provides much broader coverage more cost effectively. Here are some typical “riders” that are included with these policies:
 - **Waiver of premium rider** - Under this rider, future premiums are waived if the insured becomes permanently disabled or loses their income as a result of injury or illness prior to a specified age.
 - **Long Term Care Rider** – purchased independently, Long Term Care is all but unaffordable but is often included as a no-cost rider with these policies.
 - **Chronic Illness rider** - Allows you to request a portion of your death benefit early if diagnosed with a permanent chronic illness.
 - **Critical Illness Rider** - Allows you to request a portion of your death benefit early if diagnosed with a critical illness, such as a heart attack or cancer.
 - **Terminal Illness Rider** - Allows you to request a portion of your death benefit early if diagnosed with a terminal illness.

You may not be familiar with Indexed Universal Life (IUL) policies, and this type of life insurance is definitely something that you should understand. IUL policies offer life insurance protection for you and your family, with strategies and tax advantages for more cash value and income potential than traditional life insurance. These policies allow you to participate in potential market growth while protecting you against market losses – **Life Insurance that provides growth without risk coupled with living benefits that can protect you against the financial loss associated with a critical illness.**

If your life insurance is not Indexed Universal Life or if it does not include some of these riders, I can help you make some quick comparisons to see if you can take advantage of this kind of protection – just give me a call or send an email... **52% of all bankruptcies** – that's a risk worth protecting.