



Critical illness insurance



Frequently asked questions: critical illness insurance

Q. What is critical illness insurance?

Critical illness insurance is designed to provide a lump sum benefit on the confirmed physician's diagnosis and the policyholder's survival of 30 days of a specific number of major illnesses or medical conditions. In the case of the *PSAC critical illness insurance* plan, members can receive a lump sum payment on the confirmed diagnosis of 17 different medical conditions.

Q. How does it differ from life insurance?

Life insurance pays a benefit on the policyholder's death. Critical illness insurance pays a benefit when a policyholder is diagnosed with a covered illness and *lives*. With critical illness insurance, you don't have to die to receive a benefit.

Q. Is there any restriction on how the money can be used?

No. The money you receive from a critical illness insurance policy can be used any way you like: from home renovations to re-training, even a vacation. It's up to you.

Q. What medical conditions are covered?

The *PSAC critical illness insurance* plan, provides up to \$150,000 on the confirmed physician's diagnosis and the policyholder's survival after 30 days of any one of the following medical conditions: **heart attack; cancer; stroke; coronary artery by-pass surgery; blindness; paralysis; multiple sclerosis; Alzheimer's disease; amyotrophic lateral sclerosis; paralysis; deafness; Parkinson's disease; severe burns; aorta surgery; occupational HIV infection; benign brain tumour; and major organ failure.**

Q. Are there any restrictions or limitations regarding these conditions?

To be eligible to receive a critical illness benefit, your illness or medical condition must meet the specific definition of the illness that has been provided by the insurer. The definitions appear at the back of the *PSAC critical illness insurance* brochure.

Q. Why would I want critical illness insurance when I am covered by both the Canadian health care system and my group medical plan?

The *PSAC critical illness insurance* plan is designed to provide those who have been diagnosed with major illness with the *financial resources necessary to access products or services that may not be covered by the public health care system or a member's group benefits program.*

Critical illness insurance is designed to *complement* Canada's public health care system. While our health care system provides universal access to first class health care facilities and treatment, especially when dealing with major illnesses such as cancer, heart attack or stroke, it does not offer extensive support during the *aftermath* of such illnesses, particularly after one has been released from the hospital. As well, our public health care system has not been designed to cover the *personal* impact an illness and its treatment may have on either a patient or his/her family.

For example, the health care system does not cover things like extra day care expenses, transportation, home care or other non-medical support that may be required by a patient as he or she receives radiation treatment for cancer. It does not cover



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home renovation costs that may be required to accommodate wheelchairs or medical equipment. Critical illness insurance can ensure that cash is on hand to cover these and the thousands of expenses or needs that an individual may face as he/she attempts to cope with or adjust to a new lifestyle following a critical illness.

Q. Why cover just 17 medical conditions? Why not cover all illnesses?

If the plan attempted to cover every medical condition, the underwriting requirements and the resulting premiums would be so excessive that only highest income earners would be able to afford it. This would contradict the PSAC principle of offering cost-effective and accessible products to as many members as possible. Plus, the plan covers heart attack, stroke and cancer, which account for the majority of all critical illness claims. It also covers 14 other of the most commonly diagnosed medical conditions.

Q. How long can I be covered?

Coverage lasts until the age of 65.

Q. Can my spouse be covered?

Your spouse or common-law spouse can also be covered, provided he/she is under the age of 65 and is approved for coverage by the insurer.

Q. Do I have to purchase the full \$150,000 of coverage?

No. Coverage is available in units of \$10,000 to a maximum of \$150,000 per insured person.

Q. Why use ACE INA Insurance?

ACE INA Insurance has provided critical illness coverage to another major Canadian union for over five years and was a pioneer in the development of the product for the union market.

Formed in 1792, the company has more than two centuries of experience in the insurance market. It provides insurance products and services to about 50 countries around the world and manages over \$43 billion in assets.

ACE INA has provided insurance services to Canadians since 1889.

Q. How does Coughlin & Associates Ltd. fit into this plan?

Coughlin handles the administration of the critical illness insurance plan on behalf of the PSAC. It also handles the *PSAC Enhanced Coverage* and the *Free \$5,000 coverage*.

Q. Who should I call for further questions or service?

Contact Coughlin & Associates Ltd. at 613-237-6792, or toll-free at 1-800-216-1107.

Q. How do I apply for PSAC critical illness insurance coverage?

Just complete and sign the *PSAC critical illness insurance* application and return it to Coughlin & Associates Ltd. at:

PSAC critical illness insurance
Coughlin & Associates Ltd.
PO Box 3518, Station C
Ottawa, ON K1Y 4G1