

THE COMPLETE INSURANCE HANDBOOK

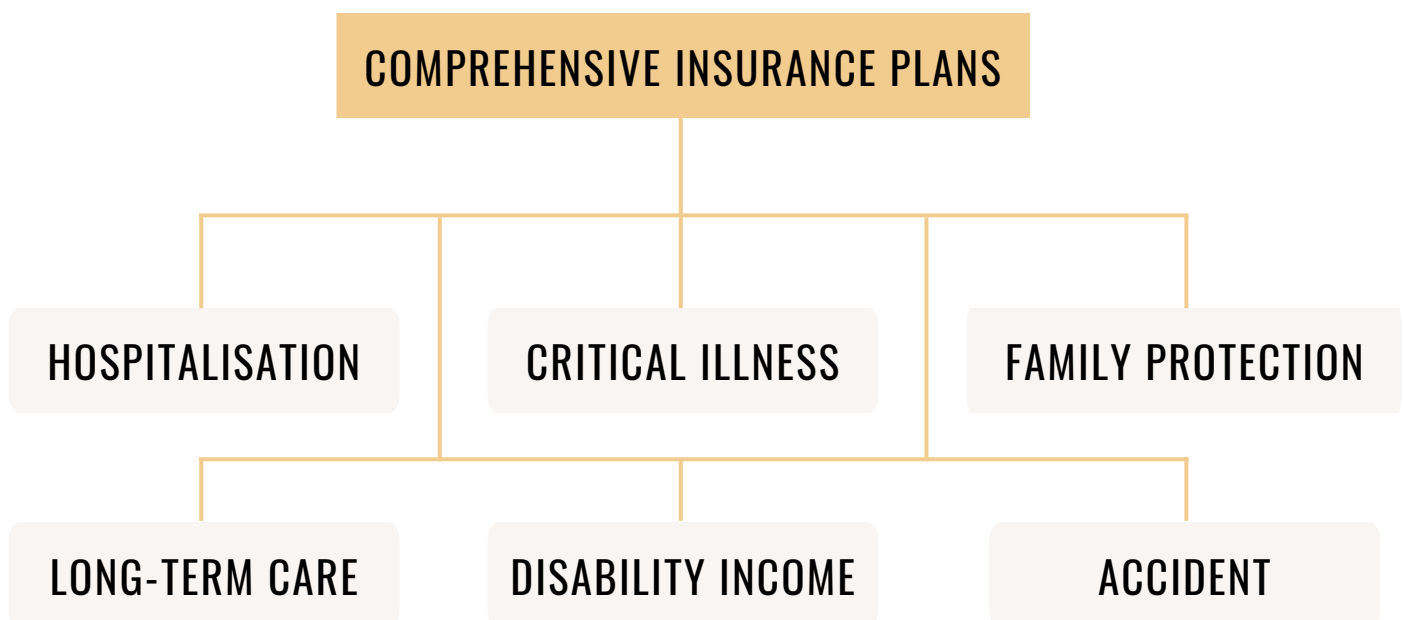
FOR PEOPLE WITH **PRE-EXISTING** MEDICAL
CONDITIONS

ADRIAN CHEN



Insurance planning in most cases, is an art rather than science. In many situations, there are **workarounds** that can supplement your coverage (or lack of). This guide will hopefully be able to give you a **clearer pathway and real alternatives** that you can mix-and-match to get the cover you need.

The content from this guide serves solely as an educational material and for the purpose of raising the awareness of the general guideline in assessing pre-existing conditions for different types of insurance policies and is not to be constituted as actual financial advice. For actual advice, please seek help from a licensed Financial Advisory Representative.



STRINGENT INDICATOR

We will use a Stringent Indicator to estimate how stringent the underwriting process will be for each type of coverage. This is to be used sparingly and for your reference only. Actual situation may be different, depending on various factors.



HOSPITALISATION



STRINGENT INDICATOR: 5 - MOST STRINGENT

INTEGRATED SHIELD PLAN (ISP)

The most common hospitalisation plan in Singapore is the Integrated Shield Plan (ISPs), where the base plan rides on top of MediShield Life. This type of plan has the most stringent underwriting, and this is where most exclusions are found. Fortunately, this is also where you may be able to negotiate for a better term; mostly to reduce the scope of an exclusion.

If you have all the 3 Highs (High blood sugar, cholesterol, and blood pressure), chances are you may not be able to get any of the ISPs above except for one insurer that can cover, if you go for their recommended medical checks out-of-your-pocket to provide the relevant reports to show that your condition is under control.

STANDALONE MEDICAL INSURANCE

Not bounded by MediShield Life, these plans have a slightly different set of underwriting process. They can charge you additional premium to cover for the pre-existing condition, as-and-when it fits their risk ability – which is a good thing instead of excluding the medical condition totally. And did I mention they still provide 100% As-Charged cover? Because of this, their premium is usually on the higher side. This is a good alternative to the ISP, if the exclusion in ISP is too broad for your comfort.

STANDALONE MORATORIUM MEDICAL INSURANCE

Next in line is a different kind of standalone medical insurance where you do not have to make a health declaration upfront. If you have had a medical condition in the past and you do not have treatment or experience any signs and symptoms for the medical condition for a rolling period of two years, this medical condition will be automatically covered. This is good for people whose other hospitalisation application were declined by the companies above, because you could at least cover for situations that are outside of your pre-existing medical condition, while waiting for your condition to improve for 2 years before the cover kick in.

COMPANY GROUP INSURANCE

Do you know that company group hospitalisation usually covers for pre-existing medical conditions after one year? This is usually with the exception of a critical illness. However, the coverage is usually less than \$50,000 per annum, but having a lesser cover is better than having none. Company group insurance is also tied to the company you work with and coverage may usually stop once you leave the Company or reach a certain age. With this being said, a Company group insurance will be good to fill the gap should you be unable to apply for any other personal hospitalization plans momentarily due to a medical condition but should not be a complete buffer for your hospitalization coverage.

MEDISHIELD LIFE

The nationwide cover is the fallback plan that you can rely on, as it covers for any pre-existing medical conditions. Do bear in mind that this plan mainly covers for subsidised medical bills and may not cover a huge percentage of the medical bills if you were to go outside of this route; such as non-subsidised government hospital wards or private hospital wards.



CRITICAL ILLNESS



STRINGENT INDICATOR: 3 - MODERATE STRINGENT

CRITICAL ILLNESS COVER

This is the standard critical illness cover that you find in Life Insurance, Term Insurance, and Investment-Linked Policy. It usually covers the standard list of 37 critical illness (or even more), and in some instances, they cover for early-stage critical illnesses and other special benefits not classified as a critical illness.

Some policies under this category have a multi-pay feature, whereby they can pay multiple times due to recurrence of an illness, or a diagnosis of a new critical illness.

Depending on the medical condition, exclusions may be imposed, premium may be loaded (pay extra premium) and in the worst-case scenario, the critical illness cover can be declined.

RESTRICTED CRITICAL ILLNESS COVER

A new type of critical illness cover has been surfacing these few years that accept people with 3 Highs (blood sugar, blood pressure and cholesterol) with specified terms, but at the expense of a smaller list of critical illness being covered. This cover is a close alternative to a standard critical illness cover if the additional premium for the standard critical illness plan is too high.

CANCER ONLY INSURANCE

The least stringent of the lot, cancer-specific plans have unique underwriting requirements. For example, if you have cardiovascular issues, you can likely go for them because cancer and heart issues do not really overlap each other. However, if you have a cyst or a lump, these plans will not cover. Some insurers even provide cancer-specific premium waiver for free without underwriting but will not trigger if it is due to pre-existing conditions. This is certainly one to look out for if most of the above options fail.



FAMILY PROTECTION



STRINGENT INDICATOR: 2 - LESS STRINGENT

DEATH COVER

Death cover is an important plan for family protection as it helps to provide additional funds for your family if you're not around anymore. Death coverage have one of the least stringent underwriting processes. Unless it is an illness relating to cardiovascular health, or very severe critical illness, chances are death may not happen easily.

As we could not exclude conditions that result in death, the additional terms are usually Loading, or the application is Declined. This is also why the amount of Loading can range from 25% to 300% depending on the medical condition and the type of plan.

Sometimes when the additional premium is high, it may be worthwhile to consider a good investment-linked policy, since the insurance charge starts low and increases overtime, possibly together with the investment returns.



DISABILITY INCOME



STRINGENT INDICATOR: 4 - MORE STRINGENT

DISABILITY INCOME COVER

Disability Income plan pays a monthly income to you if you are unable to work for an extended period. After you recover, the cover will restart and you will continue to be covered until the retirement age. Interestingly, not everyone can be covered. People whose occupation is deemed to be of 'high-risk', are unable to apply. Due to the potential claim over a long period of time, medical conditions are assessed more thoroughly. In most disability income cases, paying additional premium is more common than having an exclusion.

Alternatives to having a disability income could be:

- Total Permanent Disability (TPD) – loss of use of two limbs or blindness in both eyes – less stringent
- Long-Term Care – less stringent
- Personal Accident – no underwriting other than occupation class



LONG-TERM CARE

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STRINGENT INDICATOR: 1 - LEAST STRINGENT

CARESHIELD LIFE / ELDERSHIELD SUPPLEMENTARY PLANS

Despite the supposedly leniency for this type of plans, it is still possible to encounter situations of exclusion, and paying additional premium. The assessment will be based on whether your condition can potentially lead to a situation that requires long term care. There is a possibility of an outright rejection to this category of plans, and usually it's a combination of medical conditions that led to this outcome.

CARESHIELD LIFE / ELDERSHIELD

The government-wide plan that aims to provide an inclusive coverage for everyone that falls within the range of coverage. If you are being declined from the supplementary plans, so long there is no existing claim and you fall within the age group, you will still be covered by this. The plan covers you for a monthly income that starts from \$600/month that increases by 2% every year (for now), in the event you are unable to do 3 out of the 6 daily activities that you do every day.



PERSONAL ACCIDENT



NO UNDERWRITING REQUIRED

PERSONAL ACCIDENT PLANS

Most personal accident plan on application, do not ask for your medical condition. They are usually categorised by occupation class. However, there are a few things to take note of. Accidents due pre-existing medical conditions are not covered. Certain plans exclude high risk occupation such as Police Officer, Oil Rig Engineer, etc. This may differ for different insurance companies, and even different plans within the same insurer.

This is a good alternative to provide cover for you if everything else is declined above. At the very least, you can protect your finances against a part of unpredictability in your lives.



NEED HELP?

It doesn't matter if you've had existing medical conditions, or if you've been rejected by insurance companies before. I have experience in helping others like you get better insurance.

If you have specific questions regarding your medical condition and how it'll affect your insurance application, click on the button below to arrange for a free consultation and you can ask me ANYTHING during our session.

BOOK MY FREE CONSULTATION