



Critical Illness

Critical illness insurance helps people guard against the financial hardship of a serious health problem. The insurance provides lump sum payments, upon diagnosis of one of several specified catastrophic illnesses. These payments may be used to cover the costs of care or treatment, to replace lost income, or to address personal needs, such as transportation, childcare and other household expenses. (Note: Critical Illness does NOT replace health insurance. It is not tied to underlying medical expense, and pays out a benefit independently of other coverage).

Why Critical Illness?

The need for the product is widespread: According to the American Cancer Society¹, anyone can develop cancer, and one in two men and one in three women are at risk in their lifetime. In addition, the American Heart Association² reports that each year an estimated 785,000 Americans have a new heart attack, 470,000 more will have a recurrent attack, and 795,000 experience a stroke.

Not only do critical illnesses impact health and lifestyle, they also affect financial wellbeing. A 2007 study³ found that medical problems contributed to 62% of all bankruptcies; more than 90% of those who filed bankruptcy had debts over \$5,000, and 40% reported income loss due to illness.

Interest in critical illness insurance continues to grow. A recent survey indicated that more than half of employees report they are willing to pay for voluntary benefits – such as Critical Illness – to meet their individual needs⁴.

¹ American Cancer Society, Cancer Facts & Figures, 2010; ² American Heart Association, Heart Disease and Stroke, 2012; ³ Medical Bankruptcy in the United States, American Journal of Medicine, 2007; ⁴ Met Life Study of Employee Benefit Trends, 2013.

Why Beazley Critical Illness?

Our Critical Illness insurance is a gap protection product, which provides a lump sum benefit to ease the financial burden that may result from a serious disease.

The benefit may be offered employer-paid, or employee-paid (voluntary), or a combination of the two. Coverage is offered on a guarantee issue basis, or with medical questions (based on responses to up to 4 questions, answered on an accept/reject basis).

We offer a robust standard plan with 10 critical conditions. There are a variety of optional benefits, including an Additional Occurrence benefit, a Recurrence benefit, a Health Screening benefit, as well as the Dependent Coverage and Portability. In addition, an Occupational HIV benefit (for certain SIC codes) may be added.

The Critical Illness product is filed as a Non-Participating Specified Disease in North Carolina. The Portability benefit is filed as Continuation of Coverage in Oregon.

Our Product at a Glance

- Offered guarantee issue or with medical questions.
- Available for small-to-mid-size groups (participation requirements).
- Covers 10 critical conditions.
- Additional options include Additional Occurrence benefit, Recurrence benefit, and Health Screening benefit.
- Optional portability (for up to two years).
- Flexible funding options (employer-funded, employee-paid, or combination).
- Compatible with Health Savings Accounts.

CRITICAL ILLNESS PLAN DESIGN

STANDARD PLAN		
Employee Coverage	<i>Covered conditions (10)</i>	<i>Benefit payout</i>
	Cancer	100%
	Heart attack	100%
	Stroke	100%
	Coronary artery bypass	25%
	Coma	100%
	Loss of sight	100%
	Organ transplant	100%
	Paralysis	100%
	Renal failure	100%
Severe burns	100%	
Pre-Existing Condition Period	6 months, prior to the effective date of the policy	
Benefit Reduction	Terminates at age 70	
ADDITIONAL OPTIONS		
Dependent Coverage	<i>Covered conditions</i> Same as employee coverage	<i>Benefit payout</i> Spouse - 50% Child - 25%
Additional Occurrence (different disease)	<i>Separation period</i> 12 months	<i>Benefit payout</i> 50%
Recurrence (same disease)	<i>Separation period</i> 12 months	<i>Benefit payout</i> 50%
Portability	12-24 months	
Occupational HIV Benefit	Available for certain industries	
Health Screening Benefit	<ul style="list-style-type: none"> • \$100 for health screening • Blood tests (ex: cholesterol/glucose) • Cancer screening (ex: pap smear, mammography or colonoscopy) • Heart function testing (ex: stress tests, EKG) • Other common and routine health screens and tests 	
Participation Requirements	<ul style="list-style-type: none"> • Groups with 10-19 eligible employees require a minimum of 7 covered employees. • Groups with 20-49 eligible employees require a minimum of 9 covered employees and at least 25% participation. • Groups with 50-99 eligible employees require a minimum of 12 covered employees and at least 20% participation. • Groups with 100-499 eligible employees require a minimum of 20% participation. 	

Contact us

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Benefits and range of options may vary by state. Premium will vary based on plan chosen. A waiting period for late entrants may apply. This policy is renewable at the option of the company. This is a limited policy.

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Beazley includes the issuing company of Beazley Insurance Company, Inc., 30 Batterson Park Road, Farmington, Connecticut, 06032. Beazley is rated A by A.M. Best.

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