

GUIDE

CHOOSING A **CRITICAL ILLNESS PLAN** FOR YOUR NEEDS



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A main concern of those who have suffered from a critical illness is their ability to be insured again. According to [AIA Health Matters Survey 2016](#), “more than 9 in 10 (94%) find it challenging to purchase another Critical Illness (CI) plan following a CI diagnosis, even though more than 2 in 5 (41%) are looking to purchase another CI insurance plan”.

Given the fact that there is a probability of recurrence, it is easy to understand that insurers are not willing to accept them as the risks of insuring them are high. Other concerns about CI plans include being covered for the different stages of critical illness, enjoying premiums waiver or discounts, having insufficient cover and not being able to claim more than once from the same policy.

The good news is that critical illness plans have evolved and insurance companies here are now offering plans that address these concerns. Here, we look at three CI plans offered here and which ones to choose.

Critical Illness Plan	Aviva MyMultiPay CI	AIA Triple Critical Cover	Manulife Ready CompleteCare
Maximum Sum Assured	250,000	2,000,000	500,000 (Adult) 200,000 (Juvenile)
Maximum Claim on Early Stage CI	250,000	200,000	250,000
Maximum Claim on Intermediate Stage CI	250,000	350,000	350,000
Maximum Claim on Advance Stage CI	300% of Sum Assured	100% of Sum Assured	100% of Sum Assured or 300% of Sum Assured for the following 6 CI <ul style="list-style-type: none"> - Major Cancer - Heart Attack of Specific Severity - Stroke - Multiple Sclerosis - Parkinson Disease
Claim Amount	Up to 5x lump sum payouts upon diagnosis of CI across Early, Intermediate or Advance Stages, including up to two payouts if re-diagnosed with cancer.	The total amounts payable for all Critical Illness Benefits (for multiple critical illnesses) shall be up to 3x sum assured with limitation on different stages.	Up to 9x lump sum payouts upon diagnosis of 5x different Early, Intermediate or Advance Stage CI, including up to 2x on specific Advance Stage CI & additional 2x payouts if re-diagnosed with cancer.
Special Benefit	Special benefit pays 20% of sum assured capped at \$25,000 for up to 6 claims for diagnosis of 18 special conditions.	5 special conditions such as osteoporosis and diabetic complications, for which there will be an additional 20% of your coverage amount, up to \$25,000 per condition.	Special benefit pays 20% of sum assured capped at \$25,000 for up to 6 claims for diagnosis of 18 special conditions.

Critical Illness Plan	Aviva MyMultiPay CI	AIA Triple Critical Cover	Manulife Ready CompleteCare
Death Benefit	Lump sum payout of S\$5,000 in the event of death	100% of your coverage amount (less any critical illness claims paid) plus a \$5,000 compassionate benefit from us.	Refund total premiums paid, less any claim payouts in the event of death.
Premium Waiver	Have all your future premiums waived upon diagnosis of Severe Stage CI.	NA	NA
Repeat coverage after first diagnosis	<p>Covers Early and Intermediate Stages of Critical Illness and they are categorised into three (3) pots as follows:</p> <p>Pot 1 - Early Cancer and Illnesses Related to Major Organs</p> <p>Pot 2 - Heart Related Illnesses</p> <p>Pot 3 - Illnesses Related to the Nervous System and Other Systemic Conditions</p> <p>Claim up to 200% Sum Assured from 2 different Pot of Early and Intermediate Stage CI</p> <p>100% Sum Assured claimable from each Pot with 30 days waiting period</p>	<p>‘Power Reset’ feature, which fully restores your critical illness coverage amount back to 100% even for early stage critical illnesses, once 12 months have passed from the previous claim.</p> <p>You can enjoy continual coverage even after making a critical illness claim, giving you the confidence to take on any other unexpected surprises should they crop up along the way.</p>	<p>“Cover me again” feature fully restores your critical illness coverage amount to 100% if there is no new critical illness claim within 12 months of the last claim. You can make use of this feature up to 5 times.</p> <p>Recurring Cancer Benefit pays 100% for subsequent Advanced stage major cancer.</p>

Policy Highlights

Aviva MyMultiPay CI



1. **Premium waiver** upon diagnosis of severe CI;
2. **Choice of coverage term** adjustable from 5 - 99 years allows for more flexibility as Manulife & AIA only allow 2 choices, till age 75 or 99;
3. Ability to **claim for another early CI not related to the previous one within 30 days**, whereas Manulife and AIA have a 1-year waiting gap;
4. Upon diagnosis of any late stage CI, the assured gets **3x Sum Assured** (AIA get 1x, Manulife only for (6) selected CIs);
5. **2x more coverage for advance stage cancer** in the event of metastasis, persistence and recurring after 2 years (Same as Manulife, while AIA does not have this feature).

AIA Triple Critical Cover



1. **Cash value** for plan which covers till age 100 (no cash value if its only till age 75);
2. **Cheapest premium** among the 3 for coverage till age 75;
3. **Additional payout of another 1x if condition becomes intermediate stage** so if client hit early stage, followed by condition transmuting after 1 year into intermediate stage, they get total 2x claim (Aviva and Manulife do not separate Early and Intermediate Stages);
4. Covers 1x sum assured when there are no claims made for CI but customer dies during policy term.

Manulife Ready CompleteCare



1. **Free medical check-up** every 2 years;
2. **Cover 5x different CI** (early, intermediate, late stage) resetting every 1 year;
3. **2x more coverage for advance stage cancer** in the event of metastasis, persistence and recurring after 2 years (Same as Aviva, AIA does not have this feature);
4. **Refund all premium upon death during policy term if no claim has been made;**
5. **2x more claims on selected late stage CI** bringing total potential claim to 9x.

Confused about all these features? We'll give you some common objectives for getting a CI to help you choose a suitable plan:

Assumptions: 45-year-old lady named Lily, who is healthy, non-smoker.

Preference for cash-savings

Most CI plans in the market do not come with cash-savings, and AIA's Triple Critical Cover is perhaps one of the few. For someone who prefers to get back some cash savings, this is probably the policy to get.

Lily will have 2 choices if she gets a coverage up till 100 years old.

1. If no claims have been made at the time of death, Lily will be able to bequest some amount to her beneficiary.
2. From age 80 onwards, Lily can choose to surrender her policy and get some of the cash values.

Having a long-term coverage for CI might look like a good idea to many, but remember that you'd still need to service the insurance premiums when you are in retirement, which may be unsustainable. Therefore, the option for surrendering the policy for cash value might appeal to some.

Flexibility with coverage term

Since a CI policy's main objective is for income replacement, some clients might only want their plan to cover them until retirement age. This can potentially translate to more savings since you pay less premium when the coverage term is shorter.

In this case, Aviva's My MultiPay CI is a good choice because it offers coverage till 65 years old whereas the other 2 plans require a minimum coverage till 75 years old.

Recurrence of CI

One of the main worries of clients who want to take up a CI insurance is the fear that they will lose coverage if they are diagnosed with an early stage CI. Most insurers will not provide coverage after an incident or may not cover any pre-existing conditions.

This is where Manulife's Ready CompleteCare comes in handy because the policy will cover another 5X for a different CI after a one-year interval claim. This policy is also recommended for those who wishes to claim more payout in the event where cancer were to recur, metastasis or prolonged way after 2 years.

Need help?

Keen to find out more about Critical Illness plans or need help to find one suited to your needs? Feel free to contact Eugene Low to receive an objective advice. You may also go to our page [here](#) to make an enquiry, if you would like to find out more about the critical illness plans available.



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Eugene Low has 8 years' of experience in consumer financial services specialising in protection and wealth accumulation. He has been an MDRT member for two years (2016 & 2017) and is an Associate Financial Planner. Eugene is a firm believer in the 'Buy Term and Save/Invest the Rest' concept, strongly advocating for consumers to consider value over price when selecting Life Insurance products. Eugene promises prompt delivery of financial advice, tailored to your needs.