



Covid-19 & Life Insurance FAQ's

Description

Since the Covid-19 outbreak, we have been receiving numerous questions from clients about how the outbreak will affect them in a variety of insurance scenarios. So, here are some frequently asked questions and their answers regarding the Covid-19 epidemic and life insurance. If you need clarification or have other questions, we are happy to help. Just send us a quick note using the contact form on this screen.

Can I get life insurance if I have been diagnosed with covid-19?

The technical answer is yes, though I suspect the relevant answer is a no. Let me elaborate â?? You can purchase insurance from various insurance companies, as well as from a number of banks, that they will issue but they wonâ??t pay if you die of an illness in the first 2 years (you are covered if youâ??re in an accident). Always read your policy and make sure you know what it means.

Can I get life insurance if I have been exposed to someone with covid-19 but am not displaying symptoms?

Yes! Providing you are otherwise healthy you can. If you have other illnesses, there is a good chance we can still get you coverage but it would depend on your medical history. If this is your situation, be sure that you are applying for a simplified issue policy.

Can I get life insurance if I have been exposed to someone with covid-19 and am displaying symptoms?

Yes! Providing:
â?? you are otherwise healthy (including health history) and
â?? you are not waiting for any medical test results and
â?? you havenâ??t been told by a physician to get any medical tests or consult another doctor or visit the ER, and
â?? you havenâ??t stayed in a hospital for more than 2 days in the last 2 months,
you can get life insurance!

If you have other illnesses (or health history with issues) there is a good chance we can still get you coverage but it would depend on your medical history.

Does the life insurance I already have cover me if I die due to or with Covid-19?

Providing your current life insurance covers you, it will cover you should you contract Covid-19. (see this CBC Marketplace video for an idea of life insurance you think you have that probably won't pay). If you own a properly completed and placed, individually owned life insurance policy in Ontario, that covers illnesses, no company can or will exclude Covid-19 coverage at this time.

If I am diagnosed with Covid-19 will it affect my future ability to get life insurance?

Probably not, maybe, and it depends. Covid-19 is still very new which means life insurance companies are going to be cautious of extending insurance to people who had Covid-19, especially if they were hospitalized or the case was severe.

The current major considerations underwriters are looking at is the effect of Covid-19 on the liver and its function, as well as scarring of the lungs.

Because of Covid-19, I don't qualify for more than \$50,000, \$500,000, or \$750,000 of life insurance currently and I need more. Should I wait?

As they say, the best time to plant a tree was 20 years ago. The next best time is today. You can always change or cancel what you purchase now, but should there be changes to your health between now and when your ideal plan and amount is available, you could end up with nothing. Purchasing now and reviewing once the crisis is over gives you options. (This is presuming you are uninsured or underinsured currently).

What's the best way to buy life insurance while practicing social distancing? And what are some of the things to watch out for when buying life insurance remotely or during this crisis?

On the phone. You can purchase over the phone or a combination of phone and computer. We don't advise you to purchase just on the computer for a number of reasons, but the two biggest reasons are:

- 1) As I often say, insurance companies can be bastards, and people frequently purchase coverage directly without knowing how it works, what automatically changes when, and what is excluded.
- 2) The second reason you should always speak to a broker is that, if you file a lawsuit at a later date having spoken to the broker, they owe you a duty of care. So, should the worst happen and things end up in court, you have one more defendant plus their insurance company's money to go after.

Also note: if you are being offered policies, stop and ask the broker if the policies are "simplified non-medical guaranteed issue," or whether the underwriter can come back and ask for a nurse visit, urine or blood samples, or even more information. At this time, simplified guaranteed issue is the best bet and then you can review the other options when things are a little more normal. (This is applicable to anyone looking to buy life insurance for protection currently. If the policy is for tax or income planning, this may not apply).

CATEGORY

1. Financial Planning

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