

Surviving the unexpected

Most of us have a plan that we will work hard now and retire at 65 for a well-deserved life of ease. However, it doesn't always work out that way. For starters, not everyone makes it to 65, and while having a life insurance policy can ensure your family is taken care of after you die, it's not actually death that is the real worry, but critical illness.

Let's look at the facts. Men have a one-in-eight chance of getting cancer before 65, and for women it's a one-in-six chance. The risk of having a heart attack is one in 12 for men and one in 36 for women, while for a stroke the odds are one in 22 and one in 33 respectively. In addition, there's a one-in-19 chance a man will need major surgery, and a one-in-66 chance for women. Of course, there are also many other things that can leave you injured and unable to earn the income you used to.

In many instances, medical science can save you from what would once have meant certain death, but it won't pay the bills. The harsh reality is that surviving a critical illness can wipe you out financially – if you don't have the right insurance cover.

Income protection is part of the answer. It can replace most or all of your income over a period, but it doesn't provide you with a lump sum when a medical crisis strikes.

Surviving a critical illness or accident can also necessitate major changes to your lifestyle and home. ACC may cover the costs of providing wheelchair access if you've had an accident, but it won't usually cover you if you're impaired through illness.

Trauma insurance may provide you with a lump sum if you need to restructure your business, modify your home or even take a holiday to get away from it all and recuperate. It could also mean you are able to exercise greater choice when considering your medical treatment options.

It's certainly worth thinking about these options and talking it over with an insurance professional.

One last point. Did you know that trauma insurance was developed by Marius Barnard, brother of the acclaimed cardiac surgeon Christian Barnard. Christian's job was to make sure people survived heart disease, while Marius's job was to make sure they could afford to survive!

ENDS

19 August 2002