

# The new solution for coping with critical illness

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When Albert Einstein was on the faculty at Princeton University, it's said that his teaching assistant came to him one day, panic-stricken.

"Professor Einstein," he said, "the questions on this year's final exam are the same as last year's."

Einstein replied calmly, "That's not a problem, because the answers have changed."

Answers to age-old questions are changing in our industry, too. For years, clients and advisors have asked, what is the right financial product for someone who is diagnosed with cancer, heart attack or stroke?

When I started in insurance 30-plus years ago, the answer to that question was life insurance, because we didn't usually survive those illnesses. But today, with advances in medicine and medical technology, the chances of surviving a catastrophic illness are greater than ever.

However, our survival comes with emotional and financial consequences. When a person suffers a serious health crisis, his world is turned upside down — and so is his family's. Even with major medical insurance in place, a critical illness can have a devastating impact on household finances.

The question of protecting our clients in the event of cancer, heart attack and stroke is the same as a generation ago, but now the answer is different. Today, the answer is *both* life insurance and critical illness protection.

With the advent of critical illness insurance, there is now financial relief to aid patients and their families who are coping with recovery. Yet many people today aren't even aware that critical illness protection exists.

### **Starting the conversation**

How do you open a discussion of critical illness insurance with your clients? First, help them understand that this concept was not created by an insurance company but by a world-famous cardiac surgeon, Dr. Marius Barnard, in South Africa. In 1983, Barnard observed that, with advances in medicine, his patients were surviving cancer, heart attacks and strokes that only a generation ago were likely to be fatal. He also saw that financial stress caused by the illness was having a serious impact on his patients' ability to recover. Barnard started talking with agents, advisors and insurance companies about creating a way to help relieve that stress — an insurance policy that would pay a lump-sum benefit upon diagnosis of a critical illness. The benefit could be used in any way the client wished.

Telling this story to prospects has been a common thread among agents who are successfully selling critical illness policies (other than as a package with health insurance). They consistently explain how and why critical illness insurance was created, and then ask several key questions.

One of the most effective questions is: Do you know there are two types of break-ins — insured and uninsured? Imagine if someone breaks into your home, stealing valuable possessions and causing tremendous damage to your property. Whether you have homeowners' insurance or not, the event is exactly the same — but the impact on your family's finances and general well-being is dramatically different.

Everyone knows an insured break-in is better than an uninsured break-in. But most people don't know there are also two types of cancers — insured and uninsured; two types of heart attack — insured and uninsured, and so on. Then ask these four questions:

1. **Who do you know who has had cancer, a heart attack or stroke?** Everyone knows someone who has suffered a critical illness.
2. **Was it expected?** No one expects it! This question helps illustrate the randomness of a serious illness and helps take away the "it won't happen to me" objection.

3. **Did it create emotional or financial stress?** In almost every situation there is financial stress, and there is always emotional stress. It's important for your clients to understand that reducing financial worries helps to reduce emotional stress.
4. **Would cash have helped?** Everyone answers "yes." Then ask: if they were dealing with a heart attack, cancer or stroke, how would they have used the money? That's an important trigger for clients.

These questions help demonstrate the need for critical illness protection and are used successfully by agents around the world.

### **Filling health insurance gaps**

I recently spoke with producers Adam Tolin and George Balteria, founders of Quote Selection Insurance Services, and Chuck Richards, president of Strategic Agent Partners. Both organizations originally started packaging critical illness coverage with major medical policies and have experienced tremendous success expanding critical illness insurance into other markets. All three say they tailor CI programs based on the potential impact on the client.

"Critical illness coverage is a way for middle-income Americans to help insure their families and dreams, no matter what life throws at them," Richards says.

In addition to helping alleviate financial and emotional stress, critical illness protection provides options, control and choices in medical treatment that his clients might not otherwise have, Richard says.

Tolin and Balteria agree, saying they see critical illness coverage as a way to help provide the best health care for the client, as well as a way to reduce the client's overall exposure. Their perspective is that health insurance is like a boat with holes — if you don't plug the holes, the boat will sink. Critical illness protection helps plug the holes.

Today the question for anyone coping with a serious health condition is the same as it was a generation ago, but the answer has changed. As Barnard said 30 years ago, you need critical illness protection not because you are going to die, but because you are going to survive.