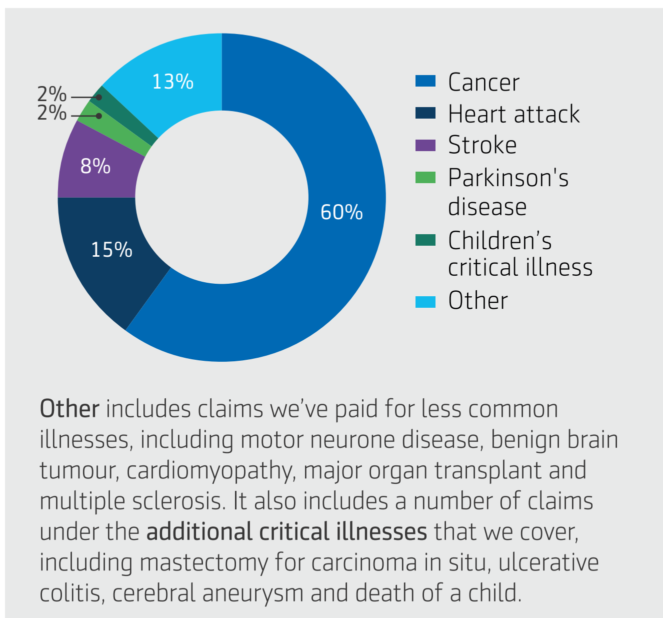
Spotlight on **critical illness claims**

We take a closer look at critical illness protection claims paid to customers in 2019.

Before choosing a protection provider, it's important to know about its claims payment history. So, we've pulled together some of the statistics behind the claims made during 2019, including some examples of real-life claims we've received.

What were the main reasons for claims?

Similar to previous years, cancer claims dominated our critical illness claim payments in 2019. Heart-related conditions also accounted for a significant number of claims.



Other includes claims we've paid for less common illnesses, including motor neurone disease, benign brain tumour, cardiomyopathy, major organ transplant and multiple sclerosis. It also includes a number of claims under the **additional critical illnesses** that we cover, including mastectomy for carcinoma in situ, ulcerative colitis, cerebral aneurysm and death of a child.

Claims we paid in 2019

94% of critical illness claims. Over the past three years, we've paid, on average, **94%**.

A total of **£41.9 million** for critical illness claims

An average critical illness claim value of **£83,964**

£2.9 million – the highest critical illness claim to a customer diagnosed with Parkinson's disease

Claims by gender

Health and wellbeing service

With our health and wellbeing service, included as part of Policy Plus at no extra cost, you have access to confidential and compassionate support through phone-based counselling and online support tools.

Qualified and experienced counsellors are available 24 hours a day, 365 days a year, to provide support with a wide range of issues, including bereavement, emotional health, relationships, family concerns, finances, debt, legal issues and consumer rights.

Call 0800 028 9095 or visit healthassuredeap.co.uk and login using user ID: aegon and password: support4u

Second medical opinion service

We also offer a second medical opinion service as part of Policy Plus. If you're diagnosed with a medical condition, this can provide additional support and reassurance of your diagnosis and treatment.

You'll receive a confidential face-to-face consultation with a UK-based specialist who's local to you, and our partners, RedArc, will allocate a dedicated personal nurse adviser to provide guidance and support before and after your consultation.

You can call RedArc's experienced registered nurses on 01244 62 51 80 to see if a second medical opinion would be right for you (call charges will vary).

50 years old – the average age of the insured person at the time of claim

7 years 11 months - the average age of a policy at the time of claim

4.3% of claims declined for not meeting the definition

1.7% of claims declined due to misrepresentation

Why do you decline claims?

There are two main reasons why we occasionally have to decline claims.

Claims not paid for not meeting the definition

We may not be able to pay a claim if it's for an illness that doesn't meet our medical definition set out in our policy conditions. In 2019, we had to decline 4.3% of claims due to this.

Sometimes we'll receive a claim too early, but this doesn't mean that we won't ever pay the claim. It just means that we can't pay it at the time we've received the claim request. In these circumstances, we'll work with the insured person and their consultants to make sure we pay the claim when they meet our medical definition.

Claims not paid due to misrepresentation

Misrepresentation occurs when customers don't give us all the relevant information about their health or lifestyle when they apply for protection.

In 2019, we declined 1.7% of critical illness claims due to misrepresentation.

The best way to avoid misrepresentation is to take a few extra minutes to make sure you've answered all questions fully and completely.

Case studies

Here we highlight how our claims payments have helped real families in 2019.

Breast cancer diagnosis

In November 2018 a female took out critical illness protection.

In July 2019, she contacted us to tell us she'd been diagnosed with early-stage breast cancer and wanted to make a claim for one of our additional critical illness definitions – cancer in situ of the breast. Under this definition we could pay a proportion of her total benefit amount and her policy would continue. We collected information about her claim through our tele-claims service. She also provided us with a copy of a letter from her consultant.

When reviewing this letter, our claims assessor discovered that the cancer wasn't in situ, but was invasive ductal carcinoma. This meant that we could consider her claim under our main cancer definition, which would pay the full benefit amount.

Her doctor verified the consultant's letter, and we agreed and paid the full claim in September 2019.

Our customer said:

'Honesty and empathy to my recent cancer experience.'

'An excellent and transparent claims process. Sympathetic and knowledgble staff. I was kept updated all the way through the claim. Again an excellent process that went some way to reduce stress at a difficult time.'

Reducing life with critical illness protection

In December 2006, a couple took out reducing life with critical illness protection on a joint-life basis to cover their mortgage.

In June 2019 the husband contacted us to tell us that his wife had been diagnosed with multiple sclerosis at the age of 42. We arranged a tele-claim call to discuss the details.

At the start of 2017 she began feeling fatigued and later that year developed problems with her eyesight. Eventually in September 2017, she was taken to hospital and diagnosed with optic neuritis.

She then underwent further tests, including a lumbar puncture, which led to her being diagnosed with relapsing remitting multiple scleroris. In 2019 she began experiencing pain in her arms and legs together with balance issues. Medical reports confirmed this information.

We paid the claim in August 2019, less than two months after receiving the claim.

As there was a clear multiple sclerosis diagnosis in 2018, we were able to backdate her claim payment. As this was a reducing policy, this meant we could pay a higher claim amount and were even able to refund some policy payments.

Our customer said:

'Brilliant customer service and advice. Excellent prompt service when dealing with enquiries. Polite and helpful.'

'Everyone was extremely helpful and professional. It was extremely easy to claim.'

Heart attack claim

In December 2010, a couple took out life with critical illness protection on a joint-life basis.

In May 2019, the husband contacted us to make a claim for a heart attack he'd had the previous month at the age of 61. We arranged a tele-claim call for the next day.

He told us that he'd been sitting at work when he felt a pain in the centre of his chest which got progressively worse. He began to feel clammy and tremble, so an ambulance was called to take him to hospital. Following investigations, including an ECG and blood tests, the hospital confirmed that he'd had a heart attack, and two days later fitted two stents due to blocked arteries.

He provided copies of hospital letters to help us assess his claim, which the treating hospital verified.

He met our heart attack definition and we paid the claim less than four weeks after receiving the claim.

Our customer said:

'In my experience and interaction, everything you do/did was excellent!'

'The critical illness insurance policy was straightforward. It's helped change my life. You were very professional on the phone and instructions were perfectly clear.'

While we want to pay all valid claims, unfortunately there are occasions where we're unable to. Here, we highlight a couple of instances where we had to turn down critical illness claims in 2019.

Not meeting the definition

In December 2008, a 46-year-old male took out life with critical illness protection.

In May 2019, he contacted us to tell us he had a heart attack in April. He provided copies of his hospital discharge papers, which described some chest discomfort on arrival, but no ECG changes, which we'd expect for a heart attack diagnosis.

We contacted his treating consultant to gather more medical information, which confirmed he'd suffered from myocarditis rather than a heart attack. This is a condition that causes the heart muscles to become inflamed. It's usually caused by a virus or a chest or bacterial infection. While the symptoms are similar to a heart attack, it doesn't generally cause long-term damage.

We explained to the claimant why we had to turn down his claim. His policy continues to provide life with critical illness protection.

Misrepresentation

In November 2018, a couple in their late 40s took out reducing critical illness protection. On their application, the husband told us he was a non-smoker, of average build, who drank moderate amounts of alcohol and had a damaged disc in his back.

In March 2019, his wife contacted us to tell us her husband had been diagnosed with a form of blood cancer. She told us his symptoms had started a couple of years earlier, including stomach infections, passing blood and light headedness. In October 2018 he'd been referred to the haematology department at the hospital for further investigations.

As his symptoms had started before he applied for his policy, we contacted his doctor to gather medical information. This showed he'd not told us about a number of issues, including being diagnosed with a bone marrow disorder which can turn into blood cancer, being referred to the haematology department four months before his policy started, numerous hospital visits for palpitations, chest tightness and murmurs, 25-years' anabolic steroid use and mental health issues.

We ask the following question on our application:

'Do you now have, or have you ever had, chest pain, palpitations, heart murmur or any disease or abnormality of your heart, pulse, veins or arteries?'

He told us he didn't answer 'Yes' to this question because he hadn't been given an official diagnosis.

We also specifically ask about anabolic steroid use, which he didn't answer honestly.

Had we been aware of the full information, we'd have been unable to offer him critical illness cover. As a result of this misrepresentation, we had to turn down the claim, cancel the policy and refund all policy payments that had been made.

Hopefully this highlights the importance of providing full and accurate information when you apply for cover, and explains why we sometimes have to turn down claims.

To talk to a member of our Claims team call 03456 00 04 93 (call charges will vary) or visit **aegon.co.uk/claims** to find out more about our claims service.

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