

Laura's Story
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The story below is based on a real client, and explains a real event which occurred to someone, when they were least expecting it.

Cancer does not choose the people it will make ill by their age, sex, lifestyle, debts or character. It can happen to any one of us at any time.

Three years ago Laura was living a typical Kiwi lifestyle. She and her husband owned a business, had a home (with a mortgage), one child, and Laura was pregnant with her second.

From the outside, things looked picture perfect and all things seemed to be progressing as they should. At the first scan, all was well and Laura looked forward to the new addition to her family.

At her second scan, however, the radiographer noticed that not only was Laura pregnant, but she also appeared to have an abnormal mass growing on her ovary. From that point, her pregnancy was no longer normal. Not only was Laura being monitored for the health of her unborn child, but tests were being done to determine what this rapidly growing mass was.

Laura and her husband had been a forward-thinking couple, and their adviser at the time had sold them a number of policies, which included medical and trauma cover. Needing ongoing specialist visits and tests, Laura made a claim on her medical insurance to cover these costs. The claim was declined on the basis that this was a complication of pregnancy. The mass was completely separate from her pregnancy, but the decline from the insurer was not questioned by her adviser at the time.

As the pregnancy progressed and the mass which was now being identified as a tumor grew, Laura was given an emergency caesarean at 31 weeks. She delivered a healthy baby girl, but was also given the news that the mass was indeed a malignant tumor.

Any words I use would not describe or do justice to what Laura and her family experienced at this time but I am thankful to say that Laura has moved on from this time. She is now leading an active and healthy lifestyle.

Twelve months after this event, we were referred to Laura by her accountant, as they felt a full review should be done on the existing risk insurances she had in place. Their previous adviser had never questioned the insurer about why the medical claims had been declined, and had never told Laura that she might be eligible for a trauma claim on her policies.

Although Laura had been paying premiums for a number of years for all risk benefits, she didn't fully understand how her contracts worked, and what she was entitled to receive.

The review meeting that took place has been described by Laura as life changing.

Whereas she and her husband, like most young parents, were juggling finances, they received fifteen months after the event a lump sum payment on her trauma cover. This allowed them to pay off the mortgage and make significant lifestyle changes.

The reason why Laura's story is so important is that I constantly meet with people who do not fully understand the benefits that their insurance contracts provide. Although Laura had kept in touch with her previous adviser, and had had regular reviews, that person had not been proactive in helping her through the claim process. They had 'sold' policies, but hadn't made the policy real to Laura in terms of what the financial outcomes it could actually deliver.

As a registered financial adviser I am often questioned about the relevance of trauma cover and the probability of making a claim. I am often asked "but isn't this the same as medical cover?" Most people are unaware that this cover is a lump sum payment which is paid on diagnosis of an event, and not on their ability to work and generate an income.

The surgeon who assisted the world's first heart transplant was the one who designed and promoted trauma insurance in 1983. D. Marius Barnard saw first-hand how modern medicine and surgical procedures were saving patients' lives but killing them financially during their recovery. He believed that people needed trauma insurance not because they were going to die, "but because they were going to live" (as described on a webcast at www.scottishwidows.co.uk).

As a client you should feel confident in your adviser's ability to understand the policy wordings of your cover and provide assistance during a claim. If you have questions about your policies, don't hesitate to give them a call.