

# RBC Insurance Critical Illness Recovery Plan Policy

Understanding the pre-existing condition amendment

For advisor use only.

## Adding a pre-existing condition amendment

We've put this document together to help you gain an understanding of the pre-existing condition amendment you have added to your client's Guarantee Standard Issue® Critical Illness Recovery Plan™ policy from RBC Insurance®.

As this document is a summary, it is not intended to modify the intention of the wording in the actual amendment.

Critical illness in this document means a covered critical illness, including any condition under the early assistance benefit or the functional dependence rider. Under a "24/24" pre-existing condition amendment<sup>1</sup>, covered conditions are excluded from coverage when all of the following are true:

- the insured had a pre-existing condition<sup>2</sup> during the 24-month period prior to coverage (this is the first number in "24/24");
- the critical illness is related to a pre-existing condition<sup>3</sup>; and,
- the critical illness is diagnosed within 24 months after the coverage is in effect (this is the second number in "24/24").

This means that the following claims are not excluded from coverage by the pre-existing condition amendment:

- The covered critical illness is diagnosed after coverage has been continuously in effect for 24 months, regardless of whether there were related pre-existing condition(s) or not.
- The covered critical illness is diagnosed within the first 24 months of coverage, but there was no pre-existing condition during the 24 months prior to coverage.
- The covered critical illness is diagnosed within the first 24 months of coverage and there was a pre-existing condition(s) within the 24 months prior to coverage, but the critical illness is not related to the pre-existing condition(s).

## Notes:

<sup>1</sup> If the insured has satisfied all or part of a pre-existing condition provision in any prior coverage that is cancelled in order to obtain this coverage, subject to the policy provisions, that period of time may be applied to any future claims, and therefore, this pre-existing condition amendment may not apply for the full 24 months after policy issue, or at all, to the benefit amount and critical illnesses covered by the previous coverage.

<sup>2</sup> A "pre-existing condition" is any medical condition or symptom(s) (whether or not diagnosed) in respect of which the insured:

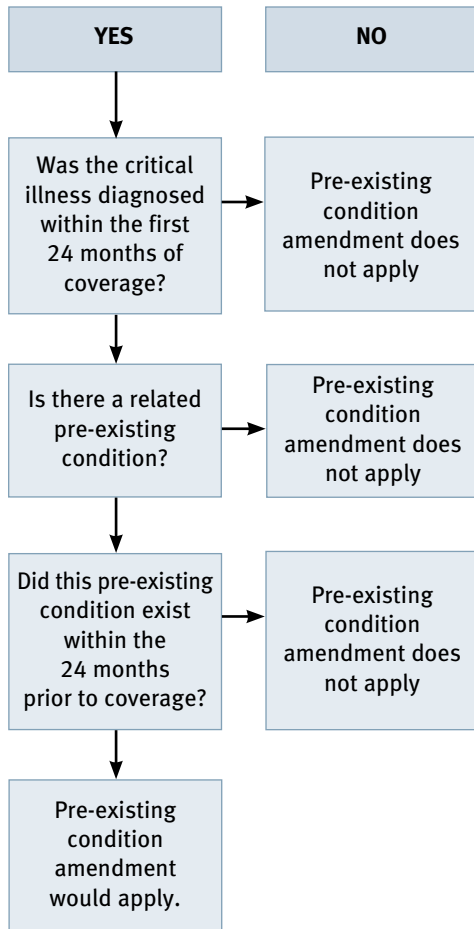
- a) incurred any health-related expenses on the advice of a physician or any other health care practitioner;
- b) took any prescribed medication;
- c) consulted a physician or any other health care practitioner; or
- d) received any health-related care, advice or treatment from a physician or any other health care practitioner.

It will also be considered a pre-existing condition if a reasonably prudent person with a medical condition or symptom(s) would have consulted a physician or any other health care practitioner.

<sup>3</sup> A critical illness is "related" to a pre-existing condition if it results, directly or indirectly, from the pre-existing condition, or if the relevant critical illness actually caused the pre-existing condition, but was not diagnosed.

## How to tell if the pre-existing clause applies to a claim?

Here's an easy way to decide if the claim is subject to the pre-existing condition amendment. The decision is based on the continuous length of time, the benefit amount and the critical illnesses insured under eligible prior coverage. Simply answer "yes" or "no" to the following questions.



Please refer to page one for further descriptions.

## Questions and answers

### Q. What if my client has previously had a covered critical illness and there is a significant risk of relapse?

**A.** If the insured has had a covered critical illness prior to the effective date of the policy, there is no coverage for that category of critical illness until the insured has gone five years without symptoms and medical evidence of that condition<sup>4</sup>.

This can be thought of as a recharge period for eligibility of that condition.

### Q. How can I determine if a subsequent occurrence is a relapse or a new event?

**A.** This coverage condition applies to all types and forms of the covered critical illness category that the insured has previously had. For example, a previous diagnosis of any type or form of cancer (including any condition under the early assistance benefit) means there is no coverage for all types and forms of cancer (including any condition under the early assistance benefit) until the five-year "free" criteria is met.

### Q. What if the subsequent occurrence does not apply to other categories of covered critical illnesses?

**A.** For example, subject to the exclusion described on page one, a previous diagnosis of cancer does not have any bearing on coverage for any other categories of coverage, such as a heart attack or stroke.

### Q. Are there examples of covered condition categories that can be recharged?

- A.**
  - Cancer, including any condition under the early assistance benefit if in remission and declared medically "free" of cancer for five years or longer.
  - Coronary artery bypass surgery, if five years or more since last surgery.

The following would most likely not be rechargeable:

- Heart attack, since a portion of the heart muscle remains dead and likely will require ongoing treatment and symptoms.
- Stroke, since a neurological deficit likely remains.

#### Notes:

<sup>4</sup> There is coverage for a claim that is based on a covered critical illness which is diagnosed more than five years after the last time a previous occurrence of the relevant covered critical illness:

- a) caused symptoms (whether or not diagnosed); or
- b) was evidenced by or on any medical examination, test result or diagnostic imaging technique, whichever occurred later.

The above is intended to present a simplified overview of the pre-existing condition amendment. Actual amendment and policy wording will govern the rights and obligations of the parties.



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