Life Insurance and Cancer

This factsheet aims to give information and guidance about applying for life insurance, particularly if you are applying for a mortgage. If you need more information or support, please contact the National Cancer Helpline on 1800 200 700.

Why do people need life insurance?
Getting life insurance is important because you may want to provide some finances for your family or have a loan or mortgage paid off in the event of your death.

How does life insurance work?
Life insurance means that a sum of money will be paid on your death. Mortgages or loans can also be paid off by life insurance policies. The money paid out comes from the money paid to the insurance company (the premiums) by its customers. The more likely you are to make a claim for some of the pool of money, the more you will be asked to contribute to it. Insurance companies will ask questions to find out how likely it is that you will make a claim. The company will then consider how much risk they are prepared to take if they insure you. This is called the underwriting process.

How does a cancer diagnosis affect people applying for life insurance?
Trying to get life insurance can be difficult if you have had any type of cancer in the past. Even though life insurance can be hard to get, it is not impossible. Your chances of getting life insurance cover depend greatly on the type, stage and grade of your cancer. The treatments you may have received, when you finished them and how likely it is that you will recover from your cancer (your prognosis) may also affect the insurance company’s decision.

It can be harder to get life insurance after a cancer diagnosis, but it is not impossible.
Insurance companies (insurers) in Ireland
Companies that offer life insurance are still very cautious about doing business with someone who has had a cancer diagnosis. It seems there are no definite guidelines when it comes to providing life insurance for people in this situation. Each application is looked at on an individual basis. Most insurers will not offer a policy to someone who is still having treatment for cancer.

When is the best time to apply for life insurance?
It is best to begin your application right away if you are thinking of purchasing a property or want to get life insurance. In some cases it may take 2 to 3 years or more after a cancer diagnosis to get insurance.

What kind of information will insurers need?
Each insurance company has its own way of dealing with applications for life insurance from people who have cancer or who had cancer in the past. Your financial adviser or broker will advise you about this. Usually insurance companies write to your hospital consultant and ask for information about:

- The type, grade and stage (how early or advanced the cancer is) of cancer you had
- The length of time since your last treatment
- Your prognosis

Insurance companies have a duty to base their assessment on information which is accurate and from a reliable source. They also may ask for a medical examination. Don’t be surprised by this as it is a fairly common practice. From 31 December 2005 insurance companies cannot by law look for genetic test results from anyone applying for life insurance (Part 4 of the Disability Act, 2005). However, insurance companies can still request family history details.

What is the best way to go about making an application?
Here are some tips on how to go about applying for life insurance:

- Discuss your situation with your hospital consultant. You will then have some idea of the medical opinion that he/she will give the insurer.
- For your own information first, think about making some informal enquiries from various insurance companies. Contact both large and smaller companies.
- Use a financial adviser or insurance broker (someone who can try to arrange insurance for you). Brokers can be very useful as they can contact a large number of insurers, have a good sense of the whole market and may get the best policy for you. Usually you do not have to pay a broker or financial adviser as they normally get commission from the insurance company when you take out a policy. It's best to check if you have to pay before you decide. Be careful when choosing a financial adviser or broker. Ask people you trust to recommend someone. It is important that you feel comfortable and are able to talk to an adviser or broker.
- Tell your financial adviser or broker all relevant information about yourself. This includes your medical history and your general circumstances.
- Ask to meet with one of their more experienced insurance advisers.
- Check carefully with your adviser that what a life company offers is adequately meeting your particular needs or situation before deciding to accept.
- A useful list of independent financial advisers/brokers is available from the Professional Insurance Brokers Association (PIBA) at www.financialbroker.ie / (01) 492 2202 and the Irish Brokers Association at www.iba.ie / (01) 661 3067.
Will my cancer diagnosis affect the cost of the premium?
In general a cancer diagnosis means you will have to pay higher premiums (the amount paid for an insurance policy). If you are offered a life insurance policy the premiums at the beginning may be higher because the risk is higher for the insurance company during this period (for most cancers, the more time goes by, the lower the risk of the cancer coming back). This is called loading. Each insurance company will assess risk before deciding whether to offer you insurance and at what price. Your insurance adviser will be able to guide you about how this may affect you personally.

What if I have life insurance already?
The insurance company should honour a life insurance policy made before you were diagnosed with cancer, provided you were honest about your medical history when taking out that policy. It is important to continue to pay into any life insurance policy you had before your cancer diagnosis, as it will be easier for you to do this than to try and start a new life policy after your cancer diagnosis. You may find it hard to increase the value of your policy for some years after being diagnosed with cancer. Never give up (surrender) an insurance policy without first getting expert advice.

What if my application is turned down (declined)?
• If you have been declined life insurance by a particular company it is important to keep the ‘Letter of Decline’.
• Talk to your financial adviser or broker for more advice. Write to the insurance company and ask why it was turned down. You can argue in support of your application.
• Make contact with other companies and check if they can offer you life insurance cover.
• Some lending institutions may need to see proof of three life insurance decline letters from separate life insurance companies before considering mortgage approval without life insurance. It will be up to them to approve your application for a mortgage or not.
• If you make a formal application for life insurance and it is declined or you are offered insurance on special terms this detail is recorded by the Irish Insurance Federation. This information can be shared with other insurance companies.

A broker or financial adviser may be able to help you to find an insurer
A useful list of independent financial advisers/brokers is available from the Professional Insurance Brokers Association (PIBA) at www.financialbroker.ie / (01) 492 2202 and the Irish Brokers Association at www.iba.ie / (01) 661 3067.

Can I make a complaint?
If you are not happy with the service you have been given, you may complain to the financial adviser, broker or salesperson who arranged your policy. Your policy document will have details of the complaints procedure. You can also contact the Financial Services Ombudsman’s Bureau at Local 1890 882 090 or website www.financialombudsman.ie or email enquiries@financialombudsman.ie.
Useful organisations and websites

Insurance Information Service (IIS)
Free information service operated by Insurance Ireland to help with insurance queries.
Tel: 01 6761914
Email: iis@insuranceireland.eu
Website: www.insuranceireland.eu

Insurance Ireland
Representative body for life insurance companies in Ireland. For their overview of applying for life insurance see:
www.insuranceireland.eu/consumer-information/life-and-pensions/protection
Tel: 01 676 1820
Website: www.insuranceireland.eu

Financial Services Ombudsman
Deals with unresolved complaints about financial service providers, including life insurance brokers.
Locall: 1890 882 090
Email: enquiries@financialombudsman.ie
Website: www.financialombudsman.ie

National Consumer Agency
General life insurance information.
Locall: 1890 432 432
Website: www.consumerhelp.ie/life-insurance

For more information on life insurance and cancer, or for confidential advice from our cancer nurse specialists, call the National Cancer Helpline on Freephone
1800 200 700
(Monday–Thursday, 9am–7pm, Friday 9am–5pm) or email helpline@irishcancer.ie

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43/45 Northumberland Road
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