INCOME PROTECTION vs SPECIFIED ILLNESS

INCOME PROTECTION

Main differences between income protection and specified illness

SPECIFIED ILLNESS

What Does Income Protection Cover?

- Any illness, injury or disability which prevents you from working (pre-existing conditions may be excluded).

- Stress and back problems are covered and these are the main causes of claims.

- Income protection pays you a replacement income if you're unable to do your job due to illness or injury. You will be paid until you are fit to return to work or reach retirement age.

- Tax relief is available on premiums at your marginal rate and corporation tax rate.

- Income protection benefit payments are taxed as income at your marginal rate at the time of claim.

- You can claim as many times as you need to, the plan will remain in place even after you have claimed, once you continue to pay the premiums.

What Does Specified Illness Cover?

- Only the illnesses specified/named in your plan are covered.

- Specified illness cover doesn't pay out for stress or back pain (unless the back pain is so severe you can fulfil the permanently disabled definition).

- Specified illness cover pays you a lump sum on diagnosis of an illness defined in the plan.

- Tax relief is not available on premiums at your marginal rate.

- Specified illness benefit payments are tax free.

- The plan stops once you have claimed.

AVERAGE PAYMENTS PER CLAIMANT

€88,370*

€77,244**

INCOME PROTECTION

SPECIFIED ILLNESS

*Friends First claims
*Based on claims with an initial claim inception date in the years 2013–2015, also on claims that ceased between January 2012 and June 2016.
**Based on claims between January 2016 and December 2016.

TOP REASONS WHY PEOPLE NEEDED TO CLAIM IN 2016

INCOME PROTECTION CLAIMS

- Orthopedic
- Psychological
- Cancer
- Neurological

SPECIFIED ILLNESS CLAIMS

- Cancer
- Heart Attack
- Kidney Failure
- Multiple Sclerosis (MS)

Based on claims between January 2016 and December 2016.