

Adjudication examples

There are several provisions in a critical illness contract that determine whether benefits for a specific condition are payable. In addition to the definition of the covered condition, the following provisions apply:

1. A general provision stating that the condition must be diagnosed while insured:
If a person is diagnosed with a critical illness while they are insured, Canada Life will pay a lump sum benefit to the employee.

2. A pre-existing condition limitation:
No benefits will be paid for a critical illness that is directly or indirectly related to a condition for which the person obtained medical care within 24 months before he became insured. Medical care is considered to be obtained when they consult a doctor, uses medication on the advice of a doctor, or receives other medical services or supplies, whether a specific diagnosis is made.

This exclusion does not apply if the illness is diagnosed after they have been continuously insured for 24 months. It also does not apply to amounts of insurance underwritten.

3. A moratorium period for cancer:
No benefits will be paid for cancer for which the diagnosis or any investigation leading to the diagnosis is initiated by any symptom or medical problem that arises within 90 days after the person became insured. Where this exclusion is applied, the person's insurance under this provision will automatically terminate and the premiums paid for their critical illness coverage will be refunded retroactive to the insurance effective date.

The following examples illustrate how these provisions apply in various situations.

	Scenario	Claim decision	Reason for claim decision	What is the impact on this person's future coverage under the plan?
1	A person is diagnosed with Parkinson's disease in June of 2013. They become insured under an enhanced critical illness plan on Jan 1, 2014 and submits a claim for Parkinson's disease.	The claim is denied.	The condition was diagnosed prior to becoming insured.	None. The person continues to be insured under the plan. Future claims for conditions diagnosed or after the effective date of coverage will be considered.
2	A person is diagnosed with Parkinson's one month after becoming insured. No symptoms were treated prior to be insured.	The claim is accepted.	This is not a pre-existing condition, as the person did not obtain medical care in the 24 months prior to being insured.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.

	Scenario	Claim decision	Reason for claim decision	What is the impact on this person's future coverage under the plan?
3	A person is diagnosed with cancer one month after becoming insured. No symptoms were treated prior to being insured, so this is not a pre-existing condition.	The claim is denied.	There is a 90-day moratorium period for cancer.	Coverage remains in-force.
4	A person is diagnosed with cancer 1 year after being insured. Symptoms were treated in the 24 months prior to being insured, but no diagnosis was made.	The claim is denied.	This is a pre-existing condition. Medical care was obtained for this condition in the 24 months prior to being covered.	Coverage remains in-force.
5	A person is diagnosed with cancer 1 year after being insured. Investigation reveals that this person was diagnosed and treated for Parkinson's in the 24 months prior to being insured.	The claim is accepted.	The condition for which the person obtained medical care is not the condition for which the claim was made.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.
6	A person is diagnosed with Parkinson's 26 months after being insured. Investigation indicates that this was the initial diagnosis, but that the person had been treated for symptoms at various times, including during the 24-month period prior to their coverage.	The claim is accepted.	The person had been insured for more than 24 months under the plan. The initial diagnosis was made while the person was covered.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.
7	A person had a heart attack several years ago and continues to go for regular check-ups that include tests for high blood pressure and cholesterol. These tests revealed that the condition was under control. The person has another heart attack one year after being insured under a critical illness plan.	The claim is accepted.	This is not a pre-existing condition, as the person did not receive 'treatment' in the 24-month period prior to being insured.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.

	Scenario	Claim decision	Reason for claim decision	What is the impact on this person's future coverage under the plan?
8	A person had a heart attack several years ago and continues to receive regular treatment for the condition. They have another heart attack three years after being insured under the CI plan.	The claim is accepted.	The person has been insured for more than 2 years and therefore the pre-existing limitation no longer applies.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.
9	A person was diagnosed with cancer 8 years ago. They subsequently went into remission and medical evidence confirms that they were cancer-free. Investigation also confirms that no medical care was obtained in the two years prior to the effective date of insurance. The person is diagnosed with the same or related cancer one year after becoming insured.	The claim is accepted.	There was no treatment in the two years prior to being insured, and therefore, the pre-existing limitation does not apply.	Coverage terminates once benefits have been paid for a covered condition, as of the date of payment.