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- Expert Interview Series: Dr. Marlene Mahea of TeleMental Health Institute
- Expert Interview Series: Sean Parnell of Selfpay Patient
- Why Obamacare Has Increased Demand for Short-Term Health Insurance
- Does Obamacare Really Make Health Insurance More Affordable?
- How Health Insurance Premiums & Deductibles Are Related
- What's Your Out of Pocket Maximum?
- Your 5 Best Health Insurance Policies
- The Best Healthcare Option – Preventive Care
- How Wearable Technology Is Transforming Healthcare
- How Do I Know What Health Insurance Is Right for Me?
- Why Are Health Insurance Premiums So High?
- Obamacare Exchanges Are Collapsing – What Can You Do?
- Confused About Copays, Co-Insurance and Deductibles?
- Obamacare Meltdown – What Does It Mean?
- Why Go to a Doctor When You Feel Fine?
- What Are the Odds You'll Go to the Hospital?
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- What Could One Month Without Healthcare Coverage Cost?
- Expert Interview Series: Dennis Jay of The Coalition Against Insurance Fraud
- 8 Very Real Risks of Going Without Healthcare Insurance
- 5 Things You Can Do to Make Your Healthcare Coverage More Affordable
- Two Reasons You May Lose Your Employer's Healthcare Coverage
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- Busting the Pre-Existing Condition Myth
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- What Happened to Freedom of Choice in Healthcare?
- You CAN Get Affordable Health Insurance?
- The Two Reasons You Need Health Insurance
- Don't Kid Yourself. You Need Healthcare Coverage.
- Young, Single, Uninsured? Short Term Health Insurance May Be Right for You
- 6 Good Reasons to Get Short Term Health Coverage
- You Missed Open Enrollment! Now What?
- Thought Leader Series: Why Obamacare Is Hurting Seniors
- What Are The Best Short-Term Health Insurance Options?
- Flexibility of Short-Term Health Insurance for Individuals
- Short-Term Medical Insurance for Independent Contractors
- What Are Some Quality and Inexpensive Health Insurance Options?
- What to Do When You Can't Afford the Affordable Care Act
- How Can I Find the Best Affordable Health Insurance?
- Suddenly Uninsured? You Don't Have to Stay That Way!
- Health Insurance for People in Transition
- Mississippi Health Insurance and the ObamaCare Market: Understanding Consumer Healthcare Options for Mississippi Residents (2015)
- Health Insurance for Temporary Lifestyle Changes
- Health Insurance for Recent College Graduates
- Affordable Health Insurance for the Unemployed
- Temporarily Bypassing Obamacare
- Will Texas Accept Obamacare?
- Can Florida Benefit From Obamacare?
- Choosing Critical Illness Insurance and Life Insurance
- How to Choose Dental Insurance
- How to Shop for Health Insurance
- The Benefits of Short-Term Health Insurance
- Is Short-Term Health Insurance More Affordable?
- How Health Insurance Agents and Brokers Can Help
- Understanding the Pros and Cons of Obamacare
- How to Use a Health Insurance Marketplace
- How to Understand the Affordable Care Act

## Choosing Critical Illness Insurance and Life Insurance

We live in stressful times. ZeroHedge.com, a financial news Website, reported in January 2014 that 91.8 million Americans were not in the labor force.<sup>1</sup> So, it's more difficult than ever for the average American to pay bills and raise a family.

That's why it's important to protect yourself and your family from the expenses associated with life-threatening illnesses. Such expenses can add up, resulting in big medical bills. If you're treated for a life-threatening illness and the treatment is unsuccessful, a big funeral bill could be the result.

But there are two types of insurance that can help you plan for the cost of critical care medicine or a funeral: critical illness insurance and life insurance.

### Critical Illness Insurance

In an [online guide](#), the National Association of Health Underwriters states that critical illness insurance can provide income for someone diagnosed with cancer, a heart attack, a stroke, or renal failure.<sup>2</sup>

[UnitedHealthcare](#) offers critical illness plans covering those life-threatening medical conditions. The plans are available for relatively low monthly rates and provide maximum lifetime benefits ranging from \$10,000 to as much as \$50,000.

You might wonder why you need critical illness insurance if you already have health insurance. Well, many health insurance policies don't cover the full cost of medical care. They require you to not only pay a monthly premium but additional out-of-pocket expenses, too. Those expenses can include a deductible, coinsurance, and co-payments.

Some health plans have very high deductibles. A deductible is the amount of money that you must spend on medical care before your insurance begins paying for covered medical expenses.

In an article that Kimberly Lankford recently wrote for Kiplinger Personal Finance, she noted that the lowest-priced health plans offered on Obamacare [Health Insurance Marketplaces] had average deductibles of \$4,343.<sup>3</sup>

That means that you would have to spend an average of \$4,343 before your insurance would start paying your medical bills. And, it's not hard to spend that much money after seeking treatment at a hospital for a heart attack, a stroke, cancer, or another major illness.

Last year, Chris Isidore noted in his article for CNN.com that the cost of treatment for a heart attack varied widely across the U.S. and could cost anywhere from \$3,334 in Danville, Arkansas, to \$92,057 in Modesto, California.<sup>4</sup>

Treatment for a stroke can be expensive, too.

In an [online fact sheet](#), The Stroke Center at University Hospital says that the average cost of patient care for a stroke within a ninety-day timeframe is \$15,000.<sup>5</sup> And some health insurance plans might not cover the full cost of such care, which can involve emergency treatment. In fact, some of these plans require patients to pay a 20-percent coinsurance fee for emergency treatment. That means that you would be responsible for \$3,000 of a \$15,000 hospital bill.

Cancer treatment also tends to be incredibly expensive. In an October 2014 segment on [60 Minutes](#), a TV news program, Dr. Leonard Saltz said that new cancer drugs were priced at over \$100,000 a year.<sup>6</sup> In the same segment, journalist Lesley Stahl said: "They [cancer drug prices] are so astronomical that a growing number of patients can't afford their co-pay, the percentage of their drug bill they have to pay out-of-pocket."

Recovering from cancer, a stroke, or a heart attack is difficult enough without having to worry about how you'll pay your medical bills. That's why it's a good idea to make your recovery easier by using critical illness insurance to fill any coverage gaps left by your current health plan.

A licensed insurance agent or broker can help you find a critical illness insurance policy that's affordable and provides enough coverage for you. One of these trained professionals can also help you pick a life insurance plan, which is important for safeguarding the financial well-being of your family.

### Life Insurance

If you have a family, you might occasionally worry about who will pay the bills for your spouse and children in the event of your death. Buying a life insurance policy could be just the thing to put your mind at ease. This type of insurance can pay out money as a death benefit to family members who are designated as your beneficiaries.

In an article on CNBC.com, personal finance correspondent Sharon Epperson says: "Life insurance policies can pay immediate expenses, including medical costs, as well as funeral bills, taxes, mortgage payments and other debts."<sup>7</sup>

Funerals are expensive. According to the [National Funeral Directors Association](#), the average cost of a funeral in the U.S. in 2012 was \$7,045.8 You probably want to avoid leaving your family with such a big bill. Life insurance can help cover that expense.

[Fidelity Life](#) offers life insurance policies with choices for how many years one of these policies will last and how much money they'll pay out to your beneficiaries as a death benefit. Fidelity Life also enables you to choose term life insurance or whole life insurance.

The [American Council of Life Insurers](#) defines term life insurance as a type of policy that covers a set period of time ranging from one to thirty years and pays out if you die within that time period.<sup>8</sup>

In an article on Investopedia.com, contributing writer Cathy Pareto says that whole life insurance lasts for the entire life of the person who buys such a policy.<sup>10</sup> In the article, she also says: "These policies carry a 'cash value' component that grows tax deferred at a contractually guaranteed amount (usually a low interest rate) until the contract is surrendered."

Fidelity Life's policy, [Rapid Decision Senior Life Term and Whole Life](#), enables you to choose whole life insurance or term life insurance. The company also offers six other policies, including [Lifestory Term](#), Hybrid Life, [Rapid Decision Express](#), Rapid Decision Final Expense, Rapid Decision Guaranteed Issue, and [Accidental Death Benefit](#).

A licensed insurance agent or broker can help you choose a life insurance policy that's affordable and enables you to ensure that your loved ones will get the money they need. An agent or broker can also help you find critical illness insurance that meets your health care needs.

### Selective Healthcare

At [Selective Healthcare](#), we understand the health insurance industry and life insurance industry. Our licensed insurance agents and brokers can help you find the best health plans and life insurance policies for your budget and needs.

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