

YOUR MONEY SORTED



DEPRESSION AND INSURERS

By LETITIA WATSON

Send suggestions for topics and requests for info to yourmoney@you.co.za. We may answer your questions in this column but won't reply personally.

You can get cover if you're depressed – but choose your policy carefully

INCLUDED OR EXCLUDED?

If you suffer from depression and apply for cover, the insurer will look at the kind of depression you have and how it's being treated. You're obliged to inform the insurer about the condition as it can affect the risk analysis, premiums and conditions of your cover. Depression and psychiatric conditions are usually excluded from income preserver and lump-sum disability cover but not from dread disease or life cover, says Dave Ruiters of Venn-Sure Consulting.

TEMPORARY DEPRESSION

Some forms of depression may be a temporary reaction to certain situations, such as postnatal depression in women or depression caused by the loss of a loved one. If you apply for cover, some insurers can exclude depression temporarily. Ruiters says a short medical report from a doctor stating you've been successfully treated should be enough to reconsider this exclusion. Remember, if your circumstances change, any exclusion or loading can be reassessed.

WHAT INSURERS WANT TO KNOW

The company's application form usually contains questions relating to anxiety, depression or psychological conditions you suffer or have suffered from. Hayley Taylor of Hollard Life says insurers want to know:

- Date of diagnosis
- Treatment you're on or were on
- Your doctor's details
- Symptoms and dates on which you previously had symptoms
- Details of hospitalisation
- Details of suicide attempts
- Instances when you were unable to work due to the condition

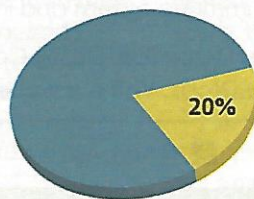
SUICIDE

All insurers exclude suicide for the first two years after you take out a policy. This is to prevent people taking out life cover after already deciding to take their own life. The exclusion means if a policyholder commits suicide in the first two years after taking out life cover, no death benefits will be paid to beneficiaries. In some cases suicide can be permanently excluded from your cover, Taylor says.

FIVE QUESTIONS ABOUT COVER AND YOUR HEALTH

- 1** What if the insurer doesn't ask any questions about depression? If there are no questions about suicide, it may be automatically excluded under the policy's terms and conditions.
- 2** Why do some insurers apply a "depression exclusion" for income and disability benefits? Because depression and associated conditions such as chronic fatigue can leave you unable to work for periods of time, Hayley Taylor of Hollard Life says.
- 3** Why do insurers ask so many questions? Your premium and the cover you get depend on your health. Insurers also need as much information as possible to guard against fraudulent claims.
- 4** Is suicide excluded for funeral cover? The general exclusion period is two years but some insurers exclude it for a shorter period, for instance a year.
- 5** What is a premium loading? That's when you're charged a higher premium because you're a bigger risk to the insurer, for instance if you have high cholesterol which increases your risk of having a heart attack.

20% EXPERIENCE DEPRESSION



Twenty percent of the population at some stage in their life suffer from a depression-related disorder but nearly two-thirds don't get the help they need. Eight out of 10 people who suffer from depression recover thanks to using antidepressants.

SOURCE: SOUTH AFRICAN DEPRESSION AND ANXIETY GROUP (SADAG)

TIP! Insurers' products and conditions differ – ask a financial adviser for a comparison of insurance options.

GET MORE HELP HERE

- Financial advisers: fpi.co.za and fia.org.za
- Adcock Ingram anxiety and depression helpline: 0800-70-80-90
- South African Depression and Anxiety Group: sadag.org

Always laugh when you can; it's cheap medicine

– ENGLISH POET LORD BYRON