

HEALTH PRIORITIES GUIDE

Critical Illness Insurance



No one is immune from being diagnosed with a critical illness, but did you know you can reduce the emotional and financial fallout?

With Health Priorities critical illness coverage from Desjardins Insurance, you'll receive a tax-free payment in the event of a diagnosis of a covered critical illness, giving you the means to focus on your recovery and alleviating the financial stress of the situation.

This guide is for you. Learn how Health Priorities can provide financial assistance in the event of a covered critical illness diagnosis.

How does Health Priorities work?

A critical illness such as cancer, a heart attack or stroke, or a health problem brought on by an accident can turn your life upside down. If you're ever diagnosed with 1 of the **26 covered critical illnesses**, including loss of independent existence, you'll receive a tax-free benefit, regardless of whether or not you're able to work. It's yours to use however you see fit.

And if you're diagnosed outside Canada, you're still entitled to the benefit.



Why would you need critical illness insurance?

- To replace the income of a loved one who takes time off work to be by your side
- To hire help around the house for your everyday activities
- To hire someone to babysit your children while you attend doctor's appointments and undergo treatment
- To cover unexpected expenses such as travel, accommodations and hospital parking
- To avoid going into debt to access costly prescription drugs not covered by the public health plan or your employer's insurance plan
- To pay for private-sector or international medical treatment
- To maintain your standard of living and avoid making early withdrawals from your retirement savings
- To protect your business by paying bills and reassuring creditors, suppliers, customers and employees

Who is Health Priorities for?

Desjardins Insurance offers a wide range of critical illness insurance products that are designed to meet your needs and give you options to tailor your coverage to your situation. You can choose a term or permanent policy, for yourself or for your business.

Term policies

Health Priorities offers a range of temporary coverage options designed to meet your short-, medium- or longer-term needs.

For example, young families often have debts, bills and a mortgage to pay. In the event of a critical illness, a term insurance policy can provide a financial cushion to ensure you can keep paying your bills, giving you peace of mind while you focus on your recovery.

We also offer solutions for longer-term temporary needs. For instance, if you're looking for coverage during your working years, you can choose a critical illness product that covers you until you retire.

Permanent policies

There are also Health Priorities options designed to meet permanent insurance needs, for instance to maintain your standard of living in retirement, protect your assets or have a financial cushion in the event of a critical illness diagnosis. A permanent policy will cover you for your entire life, up until your death.



Age criteria vary from product to product; talk to your advisor to learn more.

Business policies

Whether you're the owner of a small business or a large company, Health Priorities can protect you and your business against the potentially devastating financial consequences of a covered critical illness.

The coverage provides a benefit payment that you can use to bring in qualified people while you're recovering in order to protect your assets and reassure your creditors.

Every business has people who are key to its success: an owner-operator, actively involved shareholders, etc. If you were to suddenly lose one of these people, even temporarily, it could jeopardize the future of your business. The Executive Health Plan is designed to protect the financial health of your business in the event a key employee is diagnosed with a critical illness.

And if the person who is insured remains in good health for the entire time they work for you, they can terminate the coverage and get a full premium refund. It can add up to a lot, making it an original and effective way to reward and retain key people.



Your advisor¹ can help you choose the type of coverage that's best for you.

¹ In Quebec, this refers to a financial security advisor registered with the Autorité des marchés financiers. This person is licensed to distribute Desjardins Insurance products or works on behalf of Desjardins Financial Services Firm Inc. In other parts of Canada, financial security advisors may be called financial services advisors or life and health insurance advisors, among other titles.

How critical illness insurance can round out disability coverage

A covered critical illness might not necessarily result in disability, meaning you'll have to continue working while you recover. If you're not eligible for disability leave, you won't be eligible for disability insurance benefits. That's where Health Priorities comes in.

Critical illness insurance provides a financial cushion enabling you to take time off work to take care of yourself, spend more time with your loved ones and soften the financial blow of a challenging situation.

When disability coverage isn't an option

If you don't qualify for disability insurance, Health Priorities can fill the gap and provide financial assistance. The tax-free benefit is yours to use as you see fit to offset lost income and cover your expenses while you recover.

DID YOU KNOW?

When taking out critical illness insurance, it's important to provide full and honest answers to the health questionnaire. If you provide incomplete or inaccurate information, your coverage could be cancelled and your benefits could be denied.



Which illnesses are covered?

Health Priorities offers coverage for 26 illnesses and health conditions. If your diagnosis corresponds to the contract definition, you'll be entitled to a benefit payment of up to 100% of your insurance amount. You're free to use your payment as you see fit, for example, to pay for healthcare outside Canada or to hire help around the house to ensure you focus on your recovery.

Cancers and tumours

- Cancer (life-threatening)
- Benign brain tumour

Accidents and functional loss

- Severe burns
- Blindness
- Coma
- Acquired brain injury
- Paralysis
- Loss of speech
- Loss of limbs
- Deafness

Cardiovascular

- Stroke
- Aortic surgery
- Heart attack
- Coronary artery bypass
- Heart valve replacement or repair

Other

- Aplastic anemia
- Occupational HIV infection
- Permanent loss of independent existence

Neurological

- Dementia, including Alzheimer's disease
- Parkinson's disease and specified atypical Parkinsonian disorders
- Motor neuron disease
- Bacterial meningitis
- Multiple sclerosis

Vital organs

- Major organ failure on waiting list
- Major organ transplant
- Kidney failure



Being diagnosed with an illness by your doctor doesn't automatically entitle you to a benefit payment. According to the contract definitions of some illnesses, only severe cases may be covered. The benefit will be paid if your diagnosis corresponds to the contract definition.

DID YOU KNOW?

Health Priorities provides coverage for all types of cancer. Depending on what stage the cancer has progressed to, you'll receive either a partial or total benefit payment.

To qualify for payment for a cancer diagnosis, you must not have had any initial symptoms or received a diagnosis within 90 days of your policy coming into force or being reinstated.

DID YOU KNOW?

Your policy doesn't just cover permanent loss of independent existence—you may also be entitled to a partial benefit in the event of temporary loss of independence.

In addition to covering 26 critical illnesses, Health Priorities also provides advances

Health Priorities critical illness insurance also provides partial payment (an advance) for some illnesses and conditions that don't meet the definitions of the 26 covered illnesses. The amount of these payments varies between 1% and 30%. You can receive up to 5 payments (1 per category). The categories are:

Category	Advance
Early-stage cancers <ul style="list-style-type: none"> • Carcinoma in situ • Chronic lymphocytic leukemia – Stage 0 • Dermatofibrosarcoma • Ductal carcinoma in situ of the breast or lobular carcinoma in situ of the breast • Malignant carcinoid tumours • Malignant gastrointestinal stromal tumours • Malignant melanoma – Stage 1 • Papillary thyroid cancer or follicular thyroid cancer – Stage 1 • Primary cutaneous lymphoma • Prostate cancer – Stage T1a or T1b 	Advance of 15% of the insurance amount (\$50,000 maximum)
Other cancers Cancers that do not qualify as life-threatening under the contract and are not listed as cancers detected at an early stage	Advance of 1% of the insurance amount (\$5,000 maximum)
Surgical removal: Total mastectomy or total prostatectomy	Advance of 30% of the insurance amount (\$100,000 maximum)
Minor cardiovascular conditions and procedures <ul style="list-style-type: none"> • Aortic aneurysm • Coronary angioplasty • Endovascular treatment of aortic aneurysm or disease • Insertion of a permanent cardiac pacemaker or cardiac defibrillator 	Advance of 15% of the insurance amount (\$50,000 maximum)
Temporary loss of independent existence	Advance of 15% of the insurance amount (\$25,000 maximum)

DID YOU KNOW?

We also offer critical illness insurance for children that covers 6 additional childhood illnesses. Talk to your advisor to learn more about Health Priorities – Child 20 Pay.



IMPORTANT

Throughout the years, if you claim more than one advance categories, the payments will be deductible one from the other. For a better understanding, please refer to the following example.

Example of a case study with advances:

Laura purchases a \$100,000 Health Priorities critical illness policy.

Five years later, she's diagnosed with basal cell carcinoma (a skin cancer with very favourable outcomes when treated), which falls under the "other cancers" category. That means she's entitled to a \$1,000 advance.

Ten years later, Laura is diagnosed with ductal breast carcinoma in situ, which falls under the "early-stage cancers" category. She's therefore entitled to a \$15,000 advance, minus the \$1,000 she received for her basal cell carcinoma diagnosis 10 years earlier.

Over the following year, her cancer progresses to a stage requiring a total mastectomy, which falls under the "surgical removal" category. That means she's entitled to a \$30,000 advance, minus the \$15,000 in payments she previously received.

After making these claims, if Laura were to be diagnosed with an illness other than the 3 for which she has already received a benefit, she'd still be covered for up to \$100,000, minus the \$30,000 she already received.

DID YOU KNOW?

Your health problem doesn't need to be 1 of the 26 covered critical illnesses for you to benefit from your insurance policy. It comes with a number of other free services. Ask for the *Complimentary Assistance Services* brochure to learn more.²

Second medical opinion

If you're diagnosed with a covered illness, we offer a second medical opinion service. You can also use it for any other medical situation not covered by your policy for which you'd like a second opinion. With this service, you can get confirmation of your diagnosis from a specialist who will perform an in-depth review of your medical records and history. This service is available to anyone covered by a Health Priorities policy, even if the reason for their consultation is unrelated to a claim.

The service covers a wide range of health issues, including back pain, sports injuries, chronic conditions and critical illnesses.



² Desjardins Insurance is not contractually obligated to provide these services. They may be withdrawn at any time without prior notice.

Tailor your policy to your needs

With Health Priorities, you can tailor your critical illness insurance to your needs by adding a return of premiums or additional coverage options. These options are outlined below.

Insurance amount

You can take out a Health Priorities policy with an insurance amount of between \$10,000 and \$3 million. Your advisor can conduct a needs analysis to determine the right amount for your personal situation.

Return of premiums

With this option, if you terminate your critical illness policy, you'll receive a refund for a percentage of the premiums you've paid, provided you haven't claimed the full insurance amount for one or more critical illnesses. The exact amount will depend on the number of years your policy has been in force. The refund percentage increases gradually every year until it reaches 100% of the premiums you've paid.

If you ever reduce your coverage amount, you'll receive a partial refund of your premiums. If you terminate your policy, the full return of premiums percentage you are entitled to will be returned. Note that any advances paid for a covered health issue will be subtracted from your refund.

Percentages will vary based on the critical illness coverage you choose. Ask for full details!

Return of premiums on death

In the event of your death, this option will pay the higher of the following amounts to your beneficiary: the total premiums paid or 25% of the insurance amount.

This payment will be made only if the insurance amount hasn't already been paid out in full. Any advances paid for a covered health issue will be subtracted from the payment.

Additional coverages

Disability waiver of premiums

If you receive a diagnosis resulting in a period of total disability lasting more than 6 months before age 60, you can have your premiums waived.

Accident

If you die as a result of an accident, this additional coverage will pay a predetermined benefit amount to your beneficiary. You'll also be entitled to a lump-sum benefit in the event of an accidental fracture, dismemberment or loss of use.

Accidental fracture

If you sustain a fracture as a result of an accident, you'll receive a lump-sum benefit. The exact amount depends on which bone is fractured.

Accidental death, dismemberment or loss of use

In the event you die or suffer dismemberment as a result of an accident, you or your beneficiary will receive a percentage of the insurance amount. The percentage varies based on the type of loss. 100% is payable in the event of accidental death.

Children's life protection

You can add term life insurance to cover your children in the event of death. It covers all children from 15 days up to age 25 and includes the option to convert the coverage to a permanent policy for up to 5 times the selected basic amount without evidence of insurability.

Children's accidental fracture

This optional coverage will pay a benefit if one of your children sustains a fracture as a result of an accident. Children are covered from 15 days to age 25.

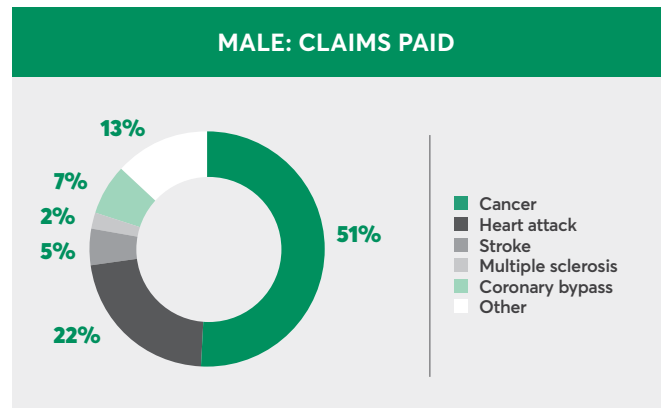
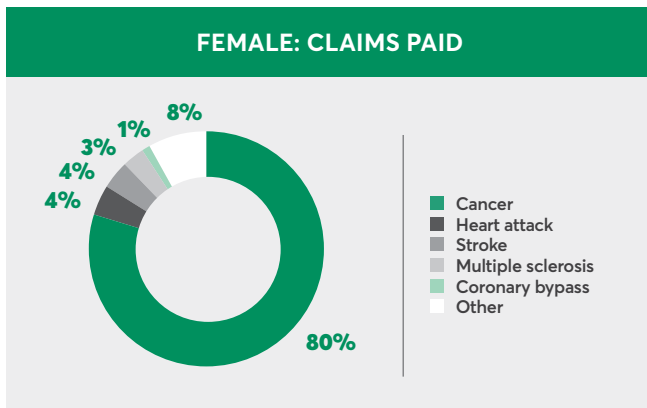
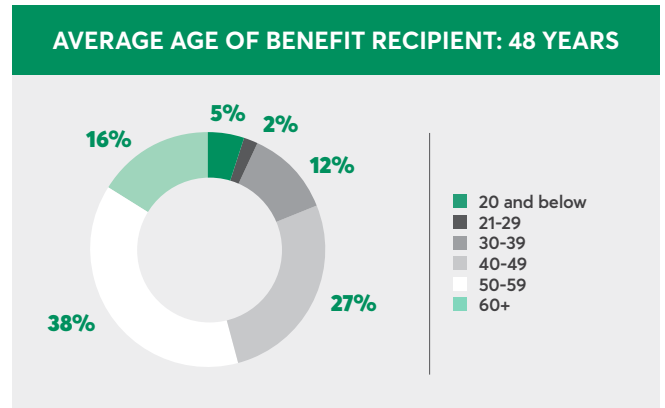
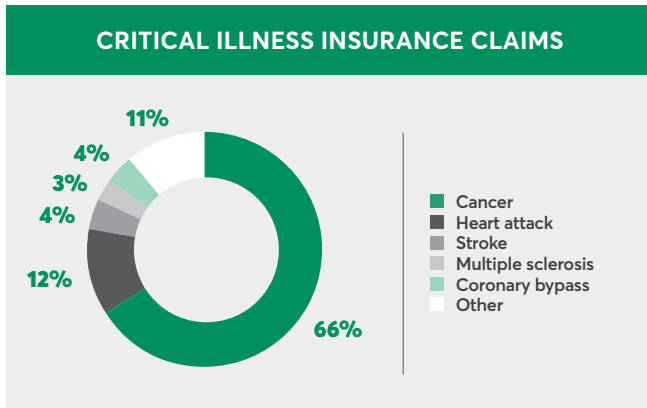


With the disability waiver of premiums, you can get a break from paying your policy's premiums provided you meet the contract definition of total disability.

Our claims experience

To give you a better idea of how people use Health Priorities critical illness insurance, here are our claims statistics and some examples of real claims that have been paid out.

Over the past 15 years, Desjardins Insurance has paid out more than **\$104 million** in benefits to members and clients who were diagnosed with a covered critical illness, helping them focus on their recovery and alleviating their financial stress. Benefits are paid according to the contract definitions of the covered illnesses. Some conditions, limitations and exclusions may apply.



All statistics are dated December 31, 2021.

Examples of actual claims

Critical illness diagnosis resulting in a payment of 100% of the insurance amount

Job	Age at diagnosis	Benefit payment	Critical illness	Time between start of coverage and claim
Civil engineering technician	27	\$25,000	Brain tumour	3 years
Manager	40	\$25,000	Breast cancer	4 years
Developer	49	\$100,000	Heart attack	12 years
Doctor	52	\$1,000,000	Stroke	13 years
Landscaper	58	\$25,000	Alzheimer's disease	16 years
Business owner	64	\$150,000	Prostate cancer	16 years

Critical illness diagnosis resulting in an advance payment

Job	Age at diagnosis	Benefit payment	Critical illness	Time between start of coverage and claim
Bus driver	39	\$5,000	Stage 1 malignant melanoma	7 years
Supervisor	49	\$5,000	Stage T1a or T1b prostate cancer	7 years



Making a claim

Definitions of covered critical illnesses

Being diagnosed with a critical illness by your doctor doesn't automatically mean you qualify for a benefit payment. Benefits are paid according to the contract definitions of the covered illnesses.

There may also be some limitations and exclusions, such as needing to wait out a moratorium, survival or qualifying period. These are explained below.



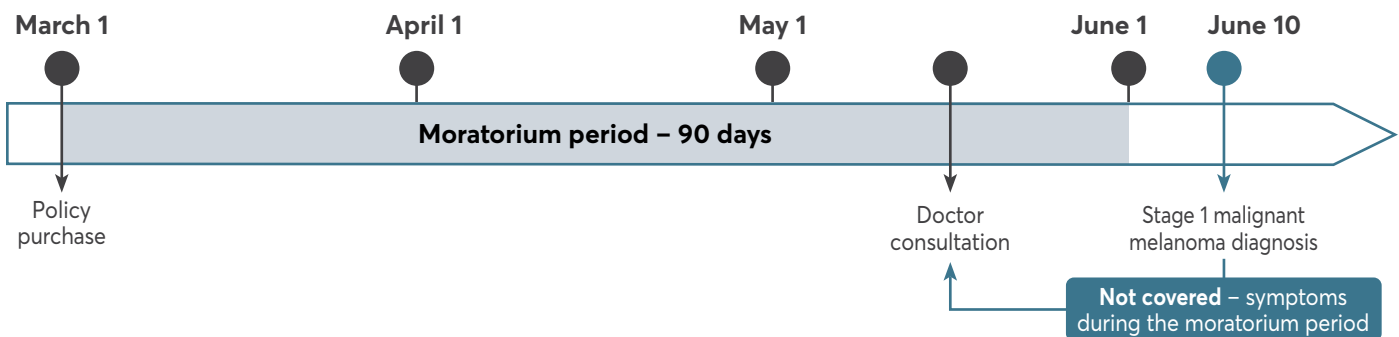
Moratorium period

A moratorium period is a period of time during which your doctor must not have diagnosed you with cancer (of any kind, even if not covered by your policy) or observed any initial symptoms of a critical illness. Depending on the illness, this period is either 90 days or 12 months from the date your coverage begins or is reinstated. It applies to the following illnesses only:

Illness	Moratorium period
<ul style="list-style-type: none"> • Cancer (life-threatening) • Benign brain tumour • Illnesses listed in the "early stage cancers" category 	90 days
<ul style="list-style-type: none"> • Parkinson's disease and specified atypical Parkinsonian disorders 	12 months

Example of a moratorium period

You purchase a Health Priorities policy on March 1. In May, you notice a spot on your arm. You make an appointment with your doctor later that week to make sure it's not anything serious. On June 10 (100 days after your policy began), you're diagnosed with stage 1 malignant melanoma. Even though the diagnosis was made after the applicable 90-day moratorium period, if you were to submit a claim it would be denied, since your symptoms first presented during the moratorium period.



Survival period

The survival period only applies to cardiovascular conditions and procedures. It runs 30 days from the date of diagnosis or surgery. It doesn't include any days during which the insured person is on artificial life support. The insured person must be alive at the end of the survival period and must not have experienced irreversible loss of all brain function.

Cardiovascular conditions and procedures with a survival period

- Aortic surgery
- Heart attack
- Coronary artery bypass
- Heart valve replacement or repair
- Aortic aneurysm
- Coronary angioplasty
- Insertion of cardiac pacemaker or cardiac defibrillator
- Endovascular treatment of aortic aneurysm or disease

Qualifying period

This is a minimum period during which the insured person must present certain symptoms, neurological deficits or functional losses or meet specific criteria.

The start of the qualifying period depends on the contract definition of the critical illness in question. For example, it can begin on the date of diagnosis, the date of the instigating event, the date of functional loss or when the insured person meets the criteria of the contract definition.

These are the illnesses that have a qualifying period:

Critical illness	Qualifying period
Stroke	30 days
Dementia, including Alzheimer's disease	6 months
Bacterial meningitis	90 days
Coma	96 hours
Acquired brain injury	180 days
Paralysis	90 days
Loss of speech	180 days
Occupational HIV infection	90 to 180 days
Permanent or temporary loss of independent existence	90 days
Multiple sclerosis	6 months*

* Some criteria may cause the 6-month period to be circumvented.



IMPORTANT

The qualifying period for these critical illnesses begins when the eligibility criteria are met.

For example, in the event of a loss of independent existence, the qualifying period begins when you're no longer able to carry out 2 of the 6 activities of daily living as defined in the contract. A medical diagnosis is not always enough. All of the contract criteria must be met in order to qualify for a benefit payment.

What to do if you're diagnosed with a critical illness

If your doctor diagnoses you with a critical illness, it's important to read the contract definition to ensure you meet all of the criteria. For example:

- Is there a moratorium, survival or qualifying period?
- Does the critical illness qualify for a full or partial benefit payment?
- Is it 1 of the 26 critical illnesses covered by your Health Priorities policy?

To help you figure out which forms you need to fill out and what supporting documents you need to provide, contact our Client Relation Centre or your advisor. They can guide you through the claims process.

Once you've assembled all the necessary documents, send them to Desjardins Insurance so that we can process your claim. Note that we'll only be able to issue a decision once we've received all the documentation we need.

Once we've finished processing your claim, we'll contact you to let you know our decision. If we've approved your claim, we'll explain how your benefit payment will be made. You can expect payment to take several days.



There is a 2-year contestability period applicable to insurance policies. That means that if less than 2 years have elapsed between the start of the policy and the event giving rise to a claim, the insurance company may request additional documentation to confirm the information provided on the application for insurance. Note that it may take several months to obtain information needed to process your claim from government agencies or hospitals, as wait times for these types of documents can be long.

Other important information

Term

Term policies: A Term 10 or 20 critical illness insurance policy will automatically renew at the end of the term for a new term of the same period, up to the insured person's 75th birthday. With each renewal, the premium will increase based on the insured person's age.

In the case of a policy term that expires on the insured person's 65th or 75th birthday, the premium is the same for the entire term. The coverage ends when the term expires.

Permanent policies: For a 10, 20 or 100 pay critical illness insurance policy, premiums are predetermined for the entire payment period. At the end of the period, the insurance remains in force and no further payments are required.

Exchange option

This option allows you to exchange an insurance policy where premiums increase every 10 years for an equivalent policy where premiums increase every 20 years. No medical questionnaire is required and you can ask for the same amount of insurance as you had with your initial coverage (or a lower amount).

You can exercise this option during the first 5 years of your coverage, but no later than the date the insured person turns 55 for the purposes of the coverage (according to the definition of age in the contract).

Conversion option

To avoid a premium increase at the end of each term, you can apply to convert your term critical illness policy to a permanent policy, without any medical requirements. You can exercise this option up until the date the insured person turns 65 for the purposes of the coverage (according to the definition of age in the contract).

Look to the future with confidence

Choose Desjardins Insurance

Choose the strength and stability of a company specialized in life and health insurance and group retirement savings that over 7.5 million Canadians count on each day to ensure their financial security. Backed by over a century of experience, it is also one of the country's leading life insurers.

Choose Desjardins Group, the largest cooperative financial group in North America and one of the country's best capitalized financial institutions. Desjardins Group enjoys excellent credit ratings comparable to those of several major Canadian and international banks and is recognized as one of the most stable financial institutions in the world according to *The Banker* magazine.

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