



Care Cover with Whole of Life Insurance Customer guide





It's estimated that **one in three people** will need some form of care before they die.*

Imagine something happened to you that meant you then required life-long care. Knowing you have a plan in place could help give you peace of mind.

AIG Care Cover with Whole of Life Insurance is designed to leave a financial legacy to your family when you die or help you meet the costs of this care.

This booklet gives general guidance only. It should not be relied on for major decisions on property or tax. You should consult a qualified accountant, tax adviser or lawyer before taking action on the basis of the information in this guide.

* Association of British Insurers, 2015

Care costs: an uncertain future?

The government has proposed a £72,000 cap on care costs. This was originally planned for 2016, but has now been delayed until 2020.

If and when the care cap is introduced, it will only apply to people over 65 years old.

You will also still have to pay for food and accommodation. The suggested rate is £230 a week, which means you would need a minimum of £12,000 per year for as long as you live¹.

Home care currently costs, on average, £15 an hour². Just two hours of daily home care could cost almost £11,000 a year.

Residential care costs are expected to increase dramatically in the next 20 years³:

	Residential care home*	Nursing care home*
2014	£29,300	£38,800
2034	£49,000	£64,900

*Annual cost

AIG Care Cover with Whole of Life could contribute to your care costs allowing you to preserve your assets and leave a legacy for your family.

1. BBC, Health News, 'How the cap on care costs works', 22 July 2015;

2. Money Advice Service, 'Care home or home care', 2014

3. Centre for Economics and Business Research, 'The cost of care in later life', 2014 (p.13)

How can AIG Care Cover with Whole of Life Insurance help you?

AIG Care Cover with Whole of Life Insurance can help you protect your assets by either:

- Contributing to your care costs should something happen where you are no longer able to live independently; or
- Providing your family and loved ones with a lasting financial legacy.

Who can buy this insurance?

You can buy AIG Care Cover with Whole of Life Insurance if you are aged between 17 and 84 years old.

The maximum amount of insurance you can buy is £400,000. This would give you a maximum care cover benefit of £300,000.

1. AIG Life survey conducted by YouGov, May 2014

We asked over 2,000 people for their thoughts on elderly care¹:

- 50% felt there was a elderly care funding crisis in the UK.
- 25% said they would probably have to sell their home to cover the costs of their elderly care.
- Only 11% said they had made provision through savings for elderly care.

How does AIG Care Cover with Whole of Life Insurance work for you?

If you are diagnosed with a medical condition that means you can no longer live independently or suffer from severe cognitive impairment, AIG Care Cover with Whole of Life Insurance will pay 75% of the amount you are insured for.

It doesn't matter how old you are when you are diagnosed, you can claim at any age.

If you find that you do not need to make a claim on care cover, we will pay 100% of the amount you are insured for when you die or are diagnosed with a terminal illness. If a payment is made for care cover, the policy will end.

Insuring you and your partner

You can apply for AIG Care Cover with Whole of Life Insurance for yourself or you can apply for joint life insurance for you and your partner.

If you choose joint life insurance, you can also decide whether your insurance pays out when you die, are diagnosed with a terminal illness or develop a medical condition that meets our criteria for care cover, or if you want to wait until this happens to your partner as well.

You can also place your insurance policy into trust. You can then be sure that any payment made on the insurance following your death will go to the people you want it to.

Examples of how this insurance could work for you

Thinking the unthinkable

Miss Jacobs, 45 years old, buys AIG Care Cover with Whole of Life Insurance worth £250,000. She is involved in a road traffic accident, leaving her with a life-changing brain injury that requires round-the-clock care. She receives a payment of £187,500 (75% of the value of the insurance).

Providing for your partner

Mrs and Mrs Johnson, aged 62 and 55 respectively, buy joint AIG Care Cover with Whole of Life Insurance worth £400,000 – and choose the second life event option. Mr Johnson develops dementia and Mrs Johnson becomes his full-time carer. Mrs Johnson then has a stroke and needs full-time care. She receives a payment of £300,000 (75% of the value of their insurance).

Protecting your assets

Mr Jackson, aged 63, buys AIG Care Cover with Whole of Life Insurance worth £150,000. Sadly, he is diagnosed with terminal cancer and given less than 12 months to live. He receives a payment of £150,000 (100% of the value of his insurance).



Flexible insurance

You can increase your cover if you:

- Get married or enter a civil partnership;
- Have a child or legally adopt one;
- Increase your mortgage; or
- Get an increase in salary.

You can change it from single life to joint life insurance (and from joint to single life). You can also reduce your insurance at any time (provided it does not fall below a minimum amount)*.

*Terms and conditions apply

More than financial support

At AIG, our focus is not only on paying insurance claims but on **delivering more than just financial support** to you and your family when you need it. That's why we include access to **Best Doctors™**, - at no extra cost – in all our life insurance policies**.

Best Doctors™ is a network of medical experts who can help you make important medical decisions with confidence.

If you or a member of your family are diagnosed with a serious illness, you will have many questions and will want clear, reliable answers.

Under **Best Doctors™** a leading specialist will conduct an in-depth review of your case, and provide a second opinion and recommendations for treatment. **In short, Best Doctors will give you the confidence to make the best medical decision for you.**

**The provision of Best Doctors™ is a non-contractual benefit and can be withdrawn at any time.

About AIG

American International Group, Inc. (AIG) is a leading international insurance organisation serving customers in more than 130 countries and jurisdictions. AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.

AIG Life Limited is the life insurance arm of AIG in the UK, Channel Islands, the Isle of Man and Gibraltar. We provide financial and practical support for individuals, families and businesses when illness or injury threatens their life, lifestyle or livelihood.



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EDCO2071-1115