


A 3D rendered orange checkmark is positioned on a silver, square-shaped base. The background is a dark, textured surface with a grid of thin, orange lines. The lighting creates highlights and shadows, giving the checkmark and base a three-dimensional appearance.

An Insurance Checklist for 2023



Saving money is high on the agenda for many people in 2023. With utilities and basic goods rising in cost, it's a good idea to make savings where you can.

But this needs to be balanced with making sure that you are financially equipped to deal with a crisis. The likelihood of claiming on an insurance policy may be small, but that doesn't mean that you should scrimp on cover.



CRITICAL ILLNESS COVER

Critical illness cover aims to pay out a lump sum if you are diagnosed with a serious medical condition. Each insurer publishes a specific list of conditions and levels of severity at which they will pay out. The key points to check are:

- Which conditions are covered? Older policies might offer more comprehensive cover as they pre-date certain medical advancements.
- Is the cover linked to a life policy? Some plans pay out on the first event only, which means that there will be no subsequent payout on death.
- Would the plan pay out the full cover amount for any insured condition, or do different amounts apply? For example, a full payout might be available for a heart attack or a stroke, while a more minor condition could result in a smaller claim.
- How much cover do you need? This might take some consideration, as a serious illness could be short or longer term.



INCOME PROTECTION

Income protection is less widely taken up than life and critical illness cover. However, as it covers chronic conditions, and can pay out for many years, it is well worth having. The main checkpoints are:

- Do you have the maximum cover based on your salary? Most insurers will offer a benefit of 60% - 80% of your gross income, free of tax.
- How long is the deferral period? This can range from one month to two years. A longer deferral period means cheaper premiums, but it also means that you will need another source of money during that time (such as an emergency fund).
- How long would the plan pay out for? While some policies will pay an income until your retirement age, others have a much shorter payment period. It's worth opting for the maximum term available within your budget.
- Do you have duplicate cover? If you have a personal policy as well as cover through your employer, both claims will be subject to an overall upper limit. You might end up paying for benefits that you can't claim.



PRIVATE MEDICAL

With the NHS under increasing pressure, more people are turning to private medical insurance for their healthcare needs. You might have this through your employer, or perhaps you are considering a personal policy. You should check:

- The level of excess payable.
- Any treatments, including for pre-existing conditions, that would be excluded.
- Whether your preferred hospital or specialist can be used.
- Whether a cash benefit is payable if you have treatment on the NHS.
- Any supplementary benefits, for example dental, optical, or private GP services.

BUILDING & CONTENTS

The main issues to check in respect of your home insurance are:

- Have you accurately estimated the cost of the property and its contents? Many people underestimate the value of their personal possessions.
- Have you kept the property in good repair and followed safety guidelines?
- Have you reviewed your cover following any improvements to the property or large purchases?



MOTOR VEHICLES

Motor insurance is a legal requirement and comprehensive cover is strongly recommended. You should check:

- That you have accurately confirmed how you use the vehicle. For example, if you were previously driving 100,000 business miles a year and are now working from home, you might find that your premiums go down. Similarly, if you previously parked on the street but have now moved into a property with a garage, you should tell your insurer.
- That you have disclosed any penalty points or accidents, even if they were not your fault and did not result in a claim.
- That the service record of the vehicle is maintained and it is kept in road-safe condition. Don't wait for your MOT to confirm that your tyres are worn when you can check this yourself.

While insurance is not the most exciting subject to think about, you can probably carry out most of these checks over a weekend and put your mind at rest for another year.

Please don't hesitate to contact a member of the team to find out more about insurance and financial protection.



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