

CRITICAL ILLNESS CAN BE MANAGED – OR AVOIDED ALTOGETHER – WITH THE RIGHT PLANNING

Nobody ever plans to get sick, but it happens anyway. Some illnesses like malaria or flu, while painful to experience, have relatively modest impact on our medium-term well-being and finances. There are however some health challenges that we all pray that we never have to deal with – heart conditions, organ failures, cancer are ready examples. When these things occur, friends and family members are drawn into the situation due to the toll that they can take on multiple aspects of the victim's life.

Regular check-ups, early detection and relatively minor adjustments in lifestyle can delay some of these dreaded diseases for many years - or prevent them altogether. Nonetheless these unfortunate critical illnesses occur despite our best efforts and victims and their family members have to find a way to deal with them.

In 2020, it was estimated that there were about 72,000 cancer-related deaths annually in Nigeria. In 2019, it was estimated that heart conditions and stroke accounted for 4.37% and 3.98% of total deaths respectively in the country. The cost of cancer treatments varies by cancer type and severity. Chemotherapy, a required treatment for advanced stage cancer costs between N600,000 to N1.5 million per session. Research also indicates that over 30 million Nigerians are suffering from kidney diseases. Patients pay as high as N150,000 for three sessions of dialysis every week and about N5 million annually. Cost of kidney transplant ranges between N2m and N3m.⁴



While people may have little or no control over the incidence of these critical illnesses, they are however, able to determine how such occurrences affect their finances. While nobody ever plans to be a victim of a critical illness, it is prudent to plan to provide towards managing their impact, in the unfortunate event that they occur. A simple way to do this is by purchasing insurance against critical illness. Like all things, the benefit that you are entitled to is determined by how much you pay in premium. For as little as N5,000 a month, a sizable amount of critical illness cover can be purchased. Costs or premium charged for the coverage will depend on the age of the insured and the scope of coverage desired. In the event of a critical illness, the policyholder will receive a lump sum payment of the sum insured to cover the direct costs of treatment. Critical illness cover can either be bought as a standalone policy or as an add-on to your life insurance cover.

While the details of what a critical illness policy covers varies, policies can be taken out for individuals, whole families or even whole groups of people, such as the employees of a business, an NGO or entire government agencies.

The cost of treating critical illnesses is often beyond the financial capacity of most individuals and families in Nigeria, however several people can afford to pay N5,000 per month per individual, particularly businesses, NGOs, social group, cooperatives and government agencies.



Since critical illness insurance encourages frequent medical check-ups, the value of this insurance cover in the area of early detection – and even outright prevention – of critical illnesses cannot be overstated. From an employer’s perspective, catching dreaded diseases early amongst staff or identifying which staff have a high likelihood of developing critical illnesses, can ensure that preventative action is taken on time. This reduces absenteeism and hours lost to illness.

Nigerians are generally more familiar with taking out life insurance, motor insurance or household insurance. Critical illness cover is just as important as these other common insurance products, particularly considering its role in preventing certain serious health conditions through early detection. This is in addition to protecting against potentially ruinous costs of treating expensive illnesses.

Families with appropriate insurance coverage for critical illnesses are better positioned to manage the suffering of their loved ones than to those without insurance plans. Critical illness cover can save families from bankruptcy arising from treatment of critical illnesses. Government agencies, businesses and NGOs taking out group critical illness schemes can substantially reduce time lost to staff absenteeism. Once critical illness cover becomes a standard household monthly purchase, hundreds of thousands of preventable and unnecessary deaths can be avoided each year.

This will also minimize the burden on the national health system by significantly reducing the number of conditions that develop into critical illnesses and death.

Most importantly, however, critical illness cover provides a mechanism for ordinary Nigerians to afford treatment for otherwise unaffordable conditions, alleviating pain and suffering as well as the financial devastation that treating a critical illness can cause. Critical Illness cover is therefore a veritable financial management and wealth protection tool for individuals and families.

Speak to your insurance advisor or do some research on critical illness insurance plans to find out what they offer, how they can help you and your family and what packages you can afford.



¹<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7735062/>

²<https://www.statista.com/statistics/1122916/main-causes-of-death-and-disability-in-nigeria/>

³<https://www.dataphyte.com/latest-reports/health/cancer-care-costs-a-burden-too-heavy-even-for-insuranceproviders/#:~:text=The%20cost%20of%20treatment%20varies,5%20million%20per%20session.>

⁴<https://www.vanguardngr.com/2013/03/kidney-disease-high-cost-of-treatment-kills-faster-in-nigeria/>

Statistics of Nigerians living with Critical Illnesses

