



Adviser praises LV= for TCF enhancements

Story by: Nicola Culley | Magazine: [FinancialAdviser](#) | Published Thursday , March 17, 2011

IFA director says changes made to income protection and critical illness makes cover much fairer

LV='s recent income protection and critical illness enhancements are mindful of treating customers fairly, an IFA director has stated.

The changes include a £1000 benefit guarantee for income protection and an increase in the maximum age covered to 70 years old.

The percentage of salary covered has also been increased to 55 per cent and the 'suited' occupation definition has been removed to define more roles as 'own occupation'.

Mark Jones, head of protection at LV=, said: "We are constantly striving to make improvements to our protection offering and these enhancements strengthen our income protection and critical illness proposition further. These changes and developments will be of significant benefit to consumers and to advisers who will be able to offer greater flexibility and support to their clients."

Peter Chadborn, director of Essex-based IFA [Plan Money](#), said most of the changes made were fairly general but a couple stand out, in particular the £1000 benefit.

He said: "The £1000 benefit gives the sense of fairness. It is taken as read that £1000 will be given no matter what happens to your income.

"LV= is also reviewing three years' income instead of one year for the self-employed claims which is much fairer."

Nearly 80 per cent of the occupations LV= covers are now on an own occupation basis, including teachers, doctors, dentists, midwives, nurses and surgeons, professions that are often covered under 'tasks' or 'any occupation'.

Mr Chadborn said: "When you apply for income protection the basis on which you can claim is based on the job you can do. Own occupation is the best one because you are less likely to be denied a claim under the premise that you can do an alternative job to the one you were doing. It is particularly good to see teachers and nurses."

LV= has also increased the number of critical illness conditions in addition to the standards required by the Association of British Insurers from four to nine and increased the number of conditions covered to 38. The number of children's critical illnesses covered has also been increased, to equal the adult cover, from 20 to 37.

Mr Chadborn said the increased children's cover was helpful because flagging up the possibility of something terrible happening to client's children was something he would not do.

He said: "I do not shy away from giving honest advice concerning protection and asking clients to consider what will happen should something bad happened. I mention it is available but never have the same approach when talking about children because it is just inappropriate and almost emotional blackmail. These changes make it easier for someone to claim in this area so that helps."

Enhancements on critical illness products also include an increase in the maximum term to 40 years for guaranteed premiums.

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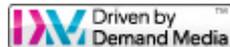
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