

Enhanced Annuity and Impaired Life Annuities

An Enhanced Annuity could increase the amount of money those with medical or lifestyle conditions, or those who smoke regularly, could receive in their retirement.

Enhanced Annuities or impaired annuities normally pay higher annual pensions than standard annuities and can offer as much as 30% more. Those who have a medical condition or lifestyle which can potentially reduce life expectancy or who smoke regularly may qualify.

By simply completing a health questionnaire and submitting it to the specialist providers in the market, you may be eligible for such enhancements. As a general rule, if you answer positively to any one or more of the following questions, there is a very good chance of qualifying:

- 1) Do you smoke?
- 2) Do you now or have you ever taken prescription medication for a medical condition?
- 3) Have you ever been hospitalized for a medical condition?

What to do next

If you answer "yes" to any of the three questions above you will need to provide further details of the precise nature of any condition and medication in order to help us obtain the best annuity rate for you.

Some Conventional, With Profits, and Index Linked Annuity product options are available on enhanced terms. Medical conditions that may qualify include:

- cancer
- heart conditions
- diabetes
- asthma
- obesity
- high blood pressure
- organ transplants
- stroke
- liver disease
- alzheimer's
- chronic lung disease
- kidney disease
- multiple sclerosis
- Parkinson's Disease
- or a disease of the central nervous system.

Enhanced Annuity/ Continued

However, this is not a comprehensive list so it is worth checking if specific medical conditions are included.

Remember, enhanced annuities are not only for people with serious medical conditions. Lifestyle conditions such as high blood pressure, high cholesterol and diabetes (insulin dependent) could qualify for enhancement on their own or in combination. In fact, over 1,500 medical and lifestyle conditions could qualify.

Do take the time to provide as much information as possible, as this could potentially lead to a ***better pension when you retire***. *Source: Watson Wyatt, January 2008

An Enhanced Annuity pays more than a standard annuity because it is assumed people with certain medical conditions have a shorter life expectancy than those who do not.

Most people think they have to suffer from a serious medical condition, such as cancer or heart disease, to get additional income in retirement but in reality even a relatively mild condition may also benefit you.

This means that if you or your partner suffer from a certain medical condition, you could qualify for a higher income - making a difference of hundreds or even thousands of pounds to your retirement income.