

Tips on TIPS Newsletter - May 2024

Why Sell 21st Century's Visitor to Canada Monthly Payment Plan



CLAIMS DO NOT IMPACT REFUNDS



With our [Monthly Payment Plan](#), claims will not impact your clients' ability to claim a refund of premium. Whether they have no claims, one claim, or ten claims, they can still be entitled to a refund of any fully unused months* if they cancel for early departure or obtain valid provincial health coverage. A \$25 processing fee applies to all refunds for early cancellations.

**Subject to the 2-month minimum premium. See page 11 of the [Policy Wording](#) for more information.*



ONE-TIME \$50 POLICY FEE, NO OTHER SURCHARGES*



With our Monthly Payment Plan, there is a one-time, non-refundable \$50 policy fee. This fee applies *once per policy*, regardless of how many people are covered on the policy. If a couple is purchasing two separate policies, they will pay the \$50 fee on each policy. There are no other surcharges or administrative fees associated with our Monthly Pay Plan, aside from the \$25 processing fee for [early cancellations](#).

**A surcharge will only be applied if your client upgrades to our two-year option.*



PENDING POLICIES PERFECT FOR VISA APPLICATIONS



If your client is applying for a Visa and their travel date to Canada is not confirmed, issue a Monthly Payment Plan policy in 'Pending' status. They pay a 2-month premium deposit plus the policy fee. A confirmation is generated that can be submitted with their visa application. If a policy is in 'Pending' status, the effective date can come and go, and no coverage will go into force. Coverage will only go into force when we receive a [request to Activate the policy](#). Unlike when the full premium is paid upfront, when you issue a Pending Monthly Pay Policy, there is no need to continually advance the effective date if the insured will not travel by the effective date on their confirmation.



DEDUCTIBLES



While many of our competitors have 'per claim' deductibles, most of 21st Century's deductibles are 'per person, per policy' deductibles*, meaning they only need to meet the deductible once.

Clive has a monthly pay policy with Standard coverage and a \$1000 deductible. Clive goes for a stroll in early February and slips on ice, injuring his arm. He goes to the hospital, where he undergoes treatment and surgery for a broken arm. The total cost for the hospital bill is \$5000. The Assistance Center determines it is a payable claim, and Clive is reimbursed \$4000 (the total cost of his hospital bill, less the deductible amount). Any future payable claims on the policy term will be covered from the first dollar since the deductible has already been met.

Remember: Unlike most of our deductibles on the Standard and Enhanced Plans, the Disappearing Deductible doesn't apply to accidents at all, and is applied per person, per claim only to sickness-related claims. **All deductibles on the Basic Plan are per person, per claim. For more information on Visitor to Canada deductibles, see our [November 2023 Newsletter](#).*

STAYING ONLY 6 MONTHS? NO PROBLEM!

Did you know you can use our Monthly Payment Plan for those who will be staying less than a year*? If a visitor plans to stay only 6 months, for example, they can purchase the policy on the Monthly Payment Plan and simply cancel the policy for early departure when they leave. All we need is a copy of their boarding passes as proof of their return to their country of origin, along with a completed [Cancellation & Refund Form](#). We will cancel the policy as of their departure date and refund any fully unused months, less a \$25 processing fee, even if they have had claims!

**The 2-month premium deposit is non-refundable once the policy is Activated, so the Monthly Payment Plan only makes sense if they will stay two months or more, otherwise they would lose premium for months they will not be using.*



Click the thumbnail above to view the video.

What if I sell Single Premium instead of Monthly Pay?

What's Different When the Full Premium is Paid Up Front



CLAIMS WILL IMPACT THE REFUND



Subject to some exceptions, if there is a claim paid or denied on a Single Premium policy, there will be no refund of any unused premium when they cancel for early departure or obtain valid provincial health coverage.

Exceptions: Depending on the amount of the claims paid or denied, the client can request to withdraw their claim to obtain the refund of unused premium. Any amount paid for the claim(s) would be deducted from the refund of premium, along with the claims handling fee of \$300 per paid claim or \$500 per denied claim. This is only possible if the refund of unused premium would be greater than the deducted amounts combined.



SINGLE PREMIUM POLICIES CANNOT BE PENDED



Single Premium policies go into force on the effective date. As an agent it is vital that you monitor your Single Premium policies, especially when the confirmed travel date is unknown. You should devise a plan to contact Single Premium clients regularly to check in with their travel plans and avoid the policies going into force when the insureds have not yet arrived. Better yet – Sell Monthly Pay when the arrival date is not confirmed.

Acceptable Methods of Payments for Policies

The only acceptable methods of payment in TIPS are Visa and MasterCard. If your client does not have a Visa or MasterCard, please have them e-transfer full payment to wendy@21stcenturytravelins.com make sure they include the quote number in the transfer. Our office will process the payment and notify you when the policy has been issued. E-transfer is not available for the Visitor to Canada monthly payment plan.

REMEMBER – you are not allowed to use your own credit card for a client's policy as per insurance regulations.

1040 Division Street, Unit 18
Cobourg, ON K9A 5Y5
Phone: 1-800-567-0021
Fax: 1-866-285-5727