



Smoking and Vaping: how can it impact your insurance?

New research conducted by Royal London has revealed that smokers can save up to £16,000 on life insurance premiums by quitting. According to the insurer, non-smokers could be entitled to lower rate premiums if they have avoided tobacco, or nicotine replacement products such as e-cigarettes, for at least a year. So, how much of an impact on your life insurance can stopping smoking have?

According to new research, a smoker aged 50 would pay almost three times the amount that a non-smoker of the same age would pay every month for the same sum assured. Obviously, this is down to the health risks associated with smoking – and the savings made by not smoking can be up to a total of £16,005 over a 25-year term.

Chief underwriter at Royal London, Craig Paterson, spoke on No Smoking Day about the savings that are there to be made by quitting smoking: “there’s a huge potential for savings on premiums, and that’s on top of not buying cigarettes as well as the benefits to your health. While

the new year is a popular time for many to give up smoking, No Smoking Day is a perfect opportunity for those who didn’t quite manage to kick the habit. Committing to making a positive change to your health can also lead to a positive change to your wallet - and realising that may help people stick to their decisions.”

Am I a smoker?

With a long list of alternative nicotine products available on the market now, it can be hard to tell whether you fall into the ‘smoker’ category or not. Most life insurance providers do class vaping and the use of e-cigarettes the same as smoking. Although Public Health

England found vaping to be 95% less harmful than smoking in 2015, there have been more recent studies that suggest there may be some longer-term health issues that the use of e-cigarettes could cause.

From an insurance provider’s perspective, any nicotine products are more often than not considered to be within the same bracket. There are sometimes exceptions, and the use of 0% nicotine e-cigarettes can be viewed differently – but as a general rule most insurance providers will need you to be nicotine free for a year before being classed as a non-smoker.

So, although the alternatives to smoking do not come with as many adverse effects, the inclusion of nicotine is enough to make you fall under the ‘smoker’ bracket in the eyes of an insurer. Therefore, there really isn’t much difference between the two when it comes to protection.



If you’d like to discuss the options available to you, contact your adviser today.