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Advice - Why Compare Annuities

Once people have retired, an annuity is an excellent and very common way to ensuring financial stability in the future; the borrower pays a lump sum of cash in return for a regular income. In spite of how widespread they are, there are still people who know very little about annuities and believe myths such as having to stay with your pension provider for your annuity. These confusing myths can be very easily dismissed by reading around the subject, which can also help potential borrowers with comparing rates of different annuities.

For a number of reasons, you should compare different annuities before you choose one; although there remains the myth that you have to stay with your pension provider, this isn't true, and many financial advisory services advocate shopping around for a better deal as competition means that the difference between rates can be very large.

One crucial point to include when comparing and researching different annuities is the ideas of an enhanced annuity. These annuities provide a higher rate of income than a normal annuity to someone who is living with a medical illness. The companies can afford to pay these higher rates as those with a long-term illness are less likely to live as long as other customers with annuities; these higher rates often go towards medical care and expenses. Those who have cancer, lung or liver diseases and a range of other long-term problems are eligible, as well as those whose lifestyle choices, such as heavy smoking, could cause early death or serious illness.

As some of the conditions that qualify for enhanced annuity are not seen as quite as serious as others, such as a high BMI or blood pressure, some people may not be aware that they still count and that they are eligible for the higher income. This means it is therefore crucial for potential buyers to compare different companies offering annuities very carefully and ensure they offer enhanced annuity for any medical conditions you may have in order to get the maximum possible amount. Different lenders have different rates and requirements for enhanced annuity so you may get a better deal by looking at a wide range of companies; the better rates you get, the more money you will have to ensure you can cover any medical bills in your retirement.

As annuity rates are falling, due to the instability of the current economy, now is the most important time to be comparing different lenders for annuities to make sure you have the best possible financial service. Minute details such as terms and conditions should all be scrutinised for differences between companies, as these could make a huge difference to your income and life after retirement.

[Compare annuities](#) quickly and easily.