

## UNDERWRITING GUIDELINES: CRITICAL ILLNESS PLANS

*For your reference, these are some of the small and common problems that could cause your business to be held, delayed, or declined by underwriting.*

### **Asthma/COPD:**

A history of asthma with steroid usage within a year is a decline. In addition, any history of Asthma/COPD and the applicant is a smoker will also be declined.

### **Blood Pressure:**

Histories of Hypertension (high blood pressure) and/or Hyperlipidemia (elevated cholesterol or triglycerides) are acceptable if controlled with one medication (for each) for at least one year. You need to provide us with the date of diagnosis or duration. If there is no duration or date of diagnoses listed on the application, CBL will request more information i.e. a letter/questionnaire, APS, or both. If multiple medications are prescribed to control Hypertension and/or Hyperlipidemia, we will order an APS (medical records). This is done automatically for face amounts of \$20,000 for nonsmokers and \$15,000 for smokers

### **Depression/anxiety:**

Depressions either situational, stress related, or anxiety attacks are all acceptable if controlled with medications or counseling. Only major depression such as manic depression (bipolar disorder) will require an APS to verify if hospitalization was required or if there is a history of multiple episodes.

### **Diabetes:**

Applications can be submitted for non-insulin or diet-controlled diabetes if the applicant is over 55 and has no other health impairments including height & weight. CBL will order an APS to verify control. If CBL approves the policy, the entire file will then go to our reinsure (OptimumRe) for their final approval.

### **Family history:**

The number nine (9) question is regarding family history. This information is required for a first-degree relative i.e. father, mother, sisters, or brothers and should be answered for the number nine (9) medical question only. Answering yes regarding family history on any of the other medical question could cause the policy to have an amendment. If the applicant is applying for family coverage, i.e. spouse or children then all medical questions pertaining to their respective health impairment or issues should be answered accordingly.

### **Annual Salary requirements:**

Face amounts cannot exceed more than 5xs the applicant's annual salary i.e. the annual salary is \$20,000 the face amount cannot exceed \$100,000. For face amounts over \$100,000, the annual salary is required on the application. If the requested face amount is over \$50,000, for the non-working insured we will need the working spouse's annual salary. Both of these requirements are waived if the minimum modal premium of \$5 per week or \$20 per month is requested.

### **Alterations to the application:**

Since the application is a legal contract to apply for life insurance, the applicant must initial all changes that are material. If there are three (3) alterations or more, a new application will be required. If the number two (2) medical question regarding HIV/Aids is not answered or altered this cannot be initialed a new signed and dated application is required.

Please remember that this is an abbreviated form of the underwriting rules and that a combination of any of the medical conditions listed above or other impairments including height and weight could cause an APS or declination. Please try to obtain and record as much details regarding impairments on the application. Always try to obtain the name, address, or phone of the personal medical doctors for all clients even when they answer "NO" to all medical questions. If they have not seen a doctor for many years or at all, write the word "None".

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*As always, Underwriting will be available to help you or to answer any questions regarding specific conditions or impairments. Contact James Silva at 800-367-7814 ext. 1295.*