Underwriting

by Donald Victorson, CLU

UNDERWRITER:

Defined as someone sitting in an ivory tower 900 miles from here, trained to say, "NO."

YOUR JOB:

To convince that underwriter, with truthful information, presented in as favorable a light as possible that it is desirable, even possible to say "YES."

Hemophilia

What is Hemophilia?

What we commonly think of as Hemophilia is really a group of related Bleeding Disorders.

What Are the Types of Bleeding Disorders?

Hemophilia A – Also called "Classic Hemophilia," is caused by a deficiency in the blood clotting factor VIII. Sometimes factor VIII may be present but "defective." Hemophilia A is the most common form of the disease occurring in approximately 80% of cases.

Hemophilia B – Is also sometimes called Christmas Disease and is caused by a deficiency in the blood clotting factor IX. It is the second most common form of hemophilia.

Von Willebrand's Disease – Less well known than classic Hemophilia, Von Willebrand's Disease is however 100 times more common than Hemophilia. Thought to affect between 1% and 2% of the population, it was discovered in 1920 in Finland by Dr. Von Willebrand who named the disease after himself.

Dr. Von Willebrand discovered that his disease was not a disease at all, but a genetic disorder linked to a missing blood factor that assists with the clotting of blood. Naturally, he named the missing factor Von Willebrand's Factor. The disorder is not sex linked. Both men and women can have Von Willebrand's Disease, but some can be carriers only and not manifest any of the symptoms. The disease occurs when the body manufactures either inferior Von Willebrand Factor, or none at all.

Von Willebrand's Disease is classified as either: Type I (Mild); Type II (Medium) or Type III (Severe).

More About Hemophilia

Hemophilia is caused by an inherited sex-linked recessive gene. While hemophiliacs are almost exclusively male, females are the carriers of the trait. 50% of the male children of female carriers have the disease, and 50% of their female children are carriers. 100% of female children of a male with hemophilia are carriers.

The only way a woman can have hemophilia is if her father has it, and her mother is a carrier.

Having said that, one third of all cases of hemophilia occur with no family history of the disorder. These cases are thought to be as a result of a spontaneous gene mutation.

What are the symptoms of these Disorders?

- Prolonged bleeding from minor cuts and abrasions.
- Spontaneous bleeding with no apparent cause.
- Pain and swelling from bleeding into joints and muscles.
- Bruising easily or without apparent cause.
- Blood in the urine or stool.
- Prolonged bleeding following circumcision or minor surgery.

How is Hemophilia Treated?

There is as yet no cure for hemophilia. Hemophilia A is treated with clotting factor concentrates containing the missing factor VIII. Hemophilia B victims are likewise treated with clotting factors containing the missing factor IX that they lack.

Clotting factor concentrates were first extracted from blood plasma collected from thousands of blood donors. More recently, clotting factors are also being produced using recombinant DNA technology without using any human blood or cells.

Our modern system of collecting and processing blood is today still far from 100% safe. In the recent past it was very unsafe indeed. As a result, a very high percentage of hemophiliacs have become infected with HIV and Hepatitis, adding to their miseries.

Prophylaxis

Prophylaxis is the technique of avoiding a hemophilia attack by giving preventive doses of the missing clotting factor. Unfortunately, this is extremely costly, running about $100,000 per year for just one person. As a result, all too often preventative treatment is not available due to lack of appropriate health insurance, insurance caps, or the refusal of health insurers to pay for treatment.

How is Von Willebrand's Disease Treated?

Mild to Moderate (Type I and II) Von Willebrand's Disease is usually treated with a nasal spray. Type III is usually treated with a variety of blood factor products designed to put good quality Von Willebrand's Factor into the bloodstream.

UNDERWRITING PROGNOSIS

Today, with proper case management, especially if prophylaxis treatment is possible, hemophiliacs can expect to live a long productive lifespan.

It is the complications of the disease that make it difficult, frequently expensive, and sometime impossible to obtain the desired insurance.

These complications include severe scarring of the joints, joint deformities, muscle disorders, internal hemorrhaging, blindness, chronic anemia, neurological or psychiatric problems, as well as AIDS and Hepatitis.

Many sufferers from this group of Bleeding Disorders with mild forms of Hemophilia or Von Willebrand's Disease are insurable on some sub-standard basis.

Unfortunately, those with Severe Bleeding Disorders or complications including AIDS will be uninsurable on an underwritten basis. That does not mean that you cannot help them obtain insurance.

Some of the options that you should explore with them include:

<u>*Group Life Insurance*</u>: Do they work for a firm with enough employees for them to qualify for significant amounts of group life insurance.

<u>*Simplified Issue*</u>: Some may qualify for Simplified Issue.

<u>*Guaranteed Issue*</u>: Many will qualify on a Guaranteed Issue basis.

You will be surprised to learn how many seemingly uninsurable persons you can help obtain the insurance that they so badly want to purchase. If you have a problem, call us. We can help.