

UNDERWRITING

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."

Over Age 70 Applicants

The secret to getting large cases issued for older applicants begins with you, the agent.

People are not only living longer today, many have acquired larger estates than they ever thought possible with the consequent need for substantial amounts of life insurance at advanced ages.

Frequently this necessitates significant financial underwriting. With younger applicants, earned income is usually sufficient justification for the amount of insurance applied for.

With a 70+ applicant who is retired and living well but modestly, what is the justification for a \$1,000,000 application? Be prepared to assist the underwriter by obtaining from your applicant detailed financial information including a financial statement if available.

The most obvious difficulty experienced in working with the 70+ population is the increased prevalence of medical complications.

As people age, like any machine, they begin to wear out. They acquire "warts and bumps."

Surprisingly, automobile accidents are the leading cause of death from injury among people aged 65 to 74. A recent study at the University of Virginia determined that older drivers take significantly longer to complete left-hand turns than younger drivers. The study revealed that elderly drivers didn't take longer to decide to make left turns, but that they did take longer to execute the turn.

To assist the Underwriter in giving your applicant the best offer possible considering all relevant factors, you must be prepared to do more than is usually required.

Write a cover letter to go with the application. Give the underwriter the total picture of the applicant, not just the cold medical facts, which he will obtain from the medical records.

What type of activities does he perform?

- HOW WELL DOES HE PERFORM THEM?
- ANY LIMITATIONS ON MOBILITY?
- DOES HE EXERCISE REGULARLY?
- IS HE WORKING PART OR FULL TIME OR DOING VOLUNTEER WORK?
- DOES HE PLAY TENNIS, GOLF, BRIDGE, GO OUT TO THE MOVIES, ATTEND RELIGIOUS SERVICES, SPORTING EVENTS, DRIVE A CAR WITHOUT DIFFICULTY?

To properly assess insurability the underwriter needs to know the answers to the following questions:

What medications is the client currently taking?

We recently had a successful, substantial case involving an 85 year old. When asked about medication he replied, "The only medication I take is one cigar a day." Unusual? Yes, but an indication to the underwriter that he is probably a much better risk than many other younger applicants who need to take a whole bunch of pills each day.

Does the client drive a car and manage his own finances?

There are three (3) levels of ADLs (activities of daily living).

LEVEL 1: Ability to perform the basic activities such as bathing, eating, dressing, etc. without assistance.

LEVEL 2: Ability to use the telephone, shopping, preparing meals, doing homework, gardening, using transportation, etc.

LEVEL 3: Full or part-time work or volunteer activities, engaging in sports, attending the movies or theater, driving an automobile, etc.

Functional ability. How self-sufficient a person is in their own environment is extremely important to the underwriter trying to determine insurability for your applicant.

Does the applicant have any history of high blood pressure, chest pain,



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angioplasty, heart attack, bypass surgery or irregular heart beat?

HEART DISEASE IS THE NUMBER ONE CAUSE OF DEATH FOR MEN AND WOMEN.

You cannot ask this question too often. The lack of any history of heart disease is good news for the underwriting outcome.

Does the applicant have any history of any form of cancer of any organ including the skin?

CANCER IS THE NUMBER TWO CAUSE OF DEATH FOR MEN AND WOMEN.

You cannot ask this question too often. The lack of any history of cancer is good news for the underwriting outcome.

Does the applicant have any history of diabetes?

A diagnosis of insulin dependent or non-insulin dependent diabetes creates underwriting complications. While adult onset diabetes can frequently be underwritten standard, the lack of a history of diabetes is good news for the client and for the underwriting outcome.

Does the applicant receive regular health care aside from that for acute medical problems?

People, especially the elderly who do not have regular checkups are at high risk for "surprises."

Those who undergo routine health screening have better medical and, therefore, underwriting outcomes. They receive the gift of early intervention in the disease process.