

SUBSTANCE ABUSE *By Donald V. Victorson, CLU*

Few situations are more difficult for the Life Underwriter to resolve than those involving Drugs or Alcohol Abuse.

- Frequently you haven't got a clue, until the home office underwriter asks you to re-question the applicant about _____!
- Guess what? "I was at a party Saturday night and everybody else was doing it. For the first and only time I tried a little _____."

Don't even try to sell that story to the underwriter. It's not going to fly. To even begin to help this clown get Life Insurance you need to ask the following questions:

Is the applicant currently using alcohol or drugs?

All substance abuse cases can be divided into two groups:

- Applicants who are clean and sober.
- Applicants who are NOT clean and sober.

If the applicant with a history of substance abuse (alcohol, painkillers, sedatives, cocaine, marijuana, heroin, speed, etc.), and is still using the substance they are usually Absolutely Uninsurable Everywhere.

Substance Abuse frequently means Denial.

Clients who have successfully recovered from substance abuse are generally open and above board about their addiction.

Clients who are still in denial and defend their right to continue to use are uninsurable and you cannot help them until after they decide on their own that they really do have a problem. Walk away. You are wasting your time.

What Substance or Substances has the applicant ever used?

- List the Name(s) of All Substances admitted.
- How often used.
- Dosage or amount.
- Dates used: From _____ to _____
- Has the applicant ever been arrested for possession, use, distribution or sale of illegal substances? If Yes, Complete details.
- Any history of DWI or DUI? If Yes, Complete details.

How and When was the applicant treated for substance abuse?

There are two types of treatment for substance abuse.

- Organized treatment programs (usually in-patient) conducted by medical professionals who are experienced with substance abuse.
- Self-Directed programs conducted by the applicant who has made a conscious decision to quit the substance abuse.

By far, the greatest clinical and therefore underwriting success has been obtained with organized programs. It is important to document when, where, and for what period of time the applicant was treated, and the results.

THE POSTPONE PERIOD for substance abuse is usually a minimum of two to five years. It is therefore important to document the exact date the client ended substance abuse and entered into treatment. This will become the "Starting Date" for Underwriting purposes.

Was the applicant treated for single or multiple substance abuse?

- Older applicants tend to have singular addictions (alcohol only).
- Younger applicants tend to multiple addictions. Underwriting outcome is significantly worse for multiple substance abuse.
- Get your facts straight, avoid unpleasant surprises.

Has the applicant participated in any after-care program?

Getting clean and sober is great. Staying clean and sober is harder. The highest success rate for recovery from substance abuse is with those applicants who join AA or similar organizations and who make a serious commitment to a change in lifestyle.

It is important to document both the type and level of participation in the applicant's after-care.

What lifestyle changes has the applicant made to improve their chances of remaining "clean and sober"?

Habits are not easy to change. Habits tend to reinforce each other. Successful recovery depends upon creating new networks of habits. After-care is one way. Reconnecting with family, friends, and religious organizations are other vehicles that are helpful. It is important to document what steps the applicant has taken to build new habit networks during the recovery process.

Underwriting Prognosis

Applicants who are still in denial and still using illegal substances are usually absolutely Uninsurable.

If they have not been previously declined they may be eligible for Simplified Issue at reasonable rates for up to significant amounts. Otherwise, Guaranteed Issue may be the only option.

Applicants who have admitted that they have a problem, and taken conscious steps to change their lifestyle are usually insurable on a sub-standard basis after two to five years of recovery, providing of course that they have not otherwise severely damaged their health.

Special Note:

Marijuana, still an illegal substance in most states, no longer carries the same stigma that it has in the past.

Should your applicant admit to using marijuana recreationally, most enlightened carriers today will no longer decline, they should be willing to issue, most commonly at the same rates as for a tobacco user!

On the other hand, should your applicant deny using marijuana, the application will likely be declined for "lack of candor".❖