



## UPDATE #1 (3/26/2020)

### Updates and information for advisors and their clients currently applying for life insurance

1. Past Travel
  - a. If the proposed insured or any member of his or her household has traveled or resided outside of the United States within the past 30 days, the application will be postponed until 30 days following their return.
  - b. If the proposed insured or any member of his or her household has come into close contact with anyone known to the insured to have tested positive for COVID-19, the application will be postponed until 30 days following their exposure.
  - c. In addition, anyone testing positive for the COVID-19 virus or those who have been hospitalized or quarantined for the virus will have their application postponed for a minimum of 90 days
2. Future Travel: Anyone planning to travel outside the U.S. will be subject to postponement of their application until travel is completed and 30 days has passed since traveling.
3. Anyone who has been tested or been treated for COVID-19 is expected to disclose any tests or treatments on their life insurance application or supplement we provide.
4. Except in certain areas, examiners are still going out for exams and taking precautions
  - a. We're seeing many more clients canceling exams than examiners canceling...
  - b. When scheduling appointments, exam companies are asking about personal (or close contact with someone else with) recent foreign travel, or any signs of fever or respiratory distress
  - c. If "yes" to any of these, appointments are being rescheduled for at least 15 days from the call to protect the applicant and examiner
5. Labs are open and processing samples collected
6. Medical records providers are operational, but some doctor's offices/hospitals have reduced staff

#### So in the life insurance world:

1. One insurance company will approve up to \$500,000 of coverage without requiring a paramedic exam/lab work.
2. A number of companies will conduct a phone interview, check available data resources like Motor Vehicle Reports, Prescription Database, etc. and see if they can make an offer without lab work (Accelerated Underwriting)
  - Normally up to \$1,000,000 in coverage and works best for clients in better than average health
  - One company announced yesterday they are expanding their Accelerated Underwriting to:
    - \$2,500,000 under age 40 and \$2,000,000 from age 41-60 if
      - the applicant has had a physical with labs within the last 24 months and
      - the insurance company can obtain the necessary records
3. Another insurance company can offer up to \$5M with the possibility of no lab work – according to recent data, 64% of applications are being approved without lab work in a short period of time.

So insurance companies are working to make options available to speed up the process and limit face-to-face contact that comes with a paramedic exam. While they may not always be the lowest premiums, they allow all of us to actively take part in social distancing in order to slow the spread of COVID-19.

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Dear Advisors and Clients,

March 17, 2020

We are closely monitoring information concerning coronavirus (COVID-19) and are making adjustments to our procedures to provide as safe of an environment as we possibly can for our employees and those with whom we interact. We have already begun to implement plans to ensure that we can continue to serve you without interruption while protecting the health and safety of our employees and their families, including employees working from home.

We will continue to monitor this evolving situation and associated risks. We remain focused on the health and safety of our people and those around us, as well as continuing to serve the Advisors, new Clients and existing Policyholders who depend on us.

In the insurance world we have seen:

1. Insurance companies scrutinizing upcoming foreign travel more closely than normal, especially to particular regions
  - a. Many companies are recommending to postpone sending in an application (or postponing approvals) until the applicant returns
2. While the assumption was that examiners may be canceling paramed exam appointments, it is more frequent that applicants/clients are postponing the exams
  - a. As we are reminded to practice “social distancing” , we just aren’t wild about introducing a new person to our home/office environment
3. Lots of questions asking if a life insurance policy from 2015 would cover a death from COVID-19
  - a. And yes, it would...

So while there may be some slowdowns in getting policies issued due to postponing exams or travel cautions, we will keep working hard to do all we can to keep the wheels turning.

Thank you to everyone who works with our fantastic LLIS Team and we will push on!

Mark Maurer  
President & CEO  
LLIS