

Coronavirus and Life Insurance

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We are in an unprecedented time where people across the country, from all walks of life, some rich, some poor, many in the middle, are anxious and concerned about their future. The threat of coronavirus to one's health (and the health of our loved ones) is further exacerbated by market turmoil and stay-at-home orders making it difficult to earn a living by traditional means. After fielding hundreds of calls from advisors over the last several days, the following pieces of information seem to be of high interest to many:

1. **Yes, your clients can still get life insurance and possibly without physically meeting with an examiner.** Many carriers now offer an expedited process when applying for life insurance. For participants who qualify, there is no medical examination or medical records required. These programs are generally limited in face amount and issue age. The option to skip the exam and blood draw is at the underwriter's discretion, so in practice, only relatively healthy clients will be approved without an exam, once an underwriter has reviewed the initial submission.
2. **If accelerated underwriting is unavailable due to the dynamics of the case (coverage amount, rate class, etc.), a paramedical exam can still be completed in most areas.** While the window is tightening, in many areas, exam companies are viewed as essential businesses and can continue to operate. The states with the strongest "shutdown" orders, according to two of the nation's largest exam companies are: California, Connecticut, Illinois, Louisiana, Nevada, New Jersey, New York, Ohio and Pennsylvania. In many states, the rigidity is defined county by county. Clients who wish to obtain coverage through traditional underwriting should schedule their paramedical examinations as quickly as possible.
3. **If accelerated underwriting is the only option, there is a carrier who will offer coverage with a guarantee not to "bounce" the client into full underwriting (which requires the paramedical examination).** The company is not obligated to make an underwriting offer, but they will issue all rate classes up to \$500,000.
4. **"If my client is diagnosed with coronavirus, or is showing symptoms, can he/she still be underwritten and issued a policy?"** The recovery rate with coronavirus remains very high for the majority of those diagnosed, so there will likely be an opportunity in the not-too-distant future to secure coverage for that

individual. With that said, anyone diagnosed or showing symptoms will be postponed for 30-60 days after full recovery by nearly any life insurance carrier.

5. **There may be delays beyond the normal underwriting timing standards.** Many insurance carriers have employees working remotely, which can slow processing time. In addition, doctors offices, who still maintain their own records, are moving more slowly than usual.

While we all hope this is a very temporary situation, it's important to note that you can bring peace of mind to your clients' lives in a very simple, affordable way by providing term insurance solutions.