

Should Your Pregnant Client Apply for Life Insurance?

Published via LinkedIn on March 15, 2017



Chris Hooper, FALU, FLMI
Chief Underwriter at Brokerage Unlimited, Inc.

The majority of life insurance companies will offer coverage to a pregnant individual if the pregnancy is low-risk. Best class rates may be available and most companies will provide a one pound allowance to their weight guidelines for each week your client has been pregnant.

So, when do life insurance companies consider pregnancy low-risk? While every company has a different underwriting philosophy and set of guidelines, the following are useful rules of thumb:

Low-Risk Pregnancy

- Under age 40
- Single baby expected
- No history of pregnancy-related complications (e.g. Gestational diabetes, preeclampsia)
- No notable pre-existing medical conditions (e.g. Diabetes, heart disease, irregular heartbeat, autoimmune/neurologic/blood disorder)

If your client's circumstances result in the company not offering coverage, then an offer will often become available after the six week postpartum evaluation documenting the issue is resolved.

Related Niche: Gestational Diabetes

General Rule: Most companies will not offer Preferred rates if a client has history of gestational diabetes within the past 5 to 10 years.

Underwriting Niche: Some companies disregard a single occurrence of gestational diabetes if it has been six weeks or more since the birthday and blood sugar levels have normalized.

Utilizing this niche, a 30-year-old female applying for \$1,000,000 of 20-year level term coverage could save 38% in premium per year.

A Final Thought

If your pregnant client falls outside the low-risk pregnancy criteria above, an opportunity for coverage may still exist. BUI underwriters are available to discuss your client's situation and may identify an opportunity based on your client's unique risk profile.

Although more dramatic savings could accurately be demonstrated, we were generous in carrier and rate class selection before applying the niche to provide a conservative look at the savings readily available. Underwriting results are based on an individual's specific circumstances and cannot be guaranteed.