



Temporary underwriting changes in response to COVID-19

To: Agent and Field Management
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Summary:

The COVID-19 pandemic has heightened awareness of what we have always known: Life insurance provides critical support for families and small businesses, particularly at times like this. We are doing everything we can to enable you to continue to provide needed coverage for our clients, while ensuring your safety, the safety of our clients, and our paramed vendors. The necessary adoption of social distancing behaviors across the country is limiting our ability to collect key information used in underwriting – specifically paramed services including Expanded Blood Draws (EBD), and Attending Physician Statements (APS). To address these challenges, we are facilitating access to alternative sources of EBD and APS data, and we are making several temporary changes to our underwriting policies to enable underwriting in the absence of EBDs, while still protecting the company's financial strength in light of the increased mortality risks posed by the virus.

(Please note: this Field News includes new changes to “Underwriting without a paramed exam” as of March 30th)

Use fully digital applications (eApp and TeleApp)

We strongly encourage all applications to be submitted using eApp and TeleApp. This will lead to faster turnaround times and help with clients who want to limit personal interactions. TeleApp is also required for any of our “no EBD” underwriting options listed below.

Use paramed vendors where possible

Where paramed services are still available, requesting the completion of EBDs and electrocardiograms (ECGs) is still the preferred option, allowing applicants to be underwritten through the standard process. In response to COVID-19, our underwriting vendors have put in place enhanced measures to safeguard the health and integrity of our clients, which you can read about [here](#).

Use alternate sources for EBDs

We also have alternative sources to secure lab results should applicants be unable to complete the EBD:

- For clients who have applied for insurance within the last 24 months (12 months for ages 60 and above), even if not with New York Life, and lab results are available, we will secure those results to underwrite the applicant.
- If an APS is required for age and amount, we will review the APS for lab results. If the lab results are within 24 months of the application (12 months for ages 60 and above), we will use those results to underwrite applicants.
- Where an examiner is not seen, ECGs will be waived.

Expand access to digital health data

Our APS vendors have informed us that some medical facilities have announced closures or reduced staffing. With this in mind, we are accelerating our ability to collect digital health data (DHD), working with our DHD partners to add more facilities and providers for electronic health records onto their platforms.

- **Patient Portal Data.** We have accelerated the availability of Patient Portal Data (PPD), which had been in pilot phase with 21 General Offices, to the remaining 95 GOs effective Monday, March 23. PPD is the capability to secure medical records via an applicant's patient portal. You will be receiving an invitation to a training webinar (scheduled for April 2). You can also visit the [New Business and Underwriting microsite](#) on Agency Portal to access PPD material and recorded webinars.
- **Healthcare Information Exchanges.** Healthcare Information Exchanges (HIEs) are networks that allow health care professionals and others to electronically access and securely share (with consent) a patient's medical records. HIEs generally operate on a state-by-state basis, and some larger hospital networks have their own independent HIEs; there are more than 200 HIEs in the United States. Underwriting has access to HIEs in seven states: Colorado, Delaware, Kansas, Missouri, New Mexico, Texas (San Antonio region), and Utah. Underwriting secures HIEs when needed; there is no action that agents need to take.
- Medical records obtained from PPDs and HIEs can vary considerably based on the state and the information medical providers choose to release, so these records may only provide supplemental information, and an APS may still be needed.

Enabling “no EBD” underwriting

Expand the Life Insurance Fast Track model to enable more applicants to bypass EBD

Life Insurance Fast Track (LIFT) is our triage model that determines if eligible clients can bypass the EBD. Currently, cases in which the insured is age 18-39 and the total amount at risk is \$100,000-\$500,000 are eligible for LIFT; a TeleApp must be completed. We are taking steps to temporarily modify LIFT to permit more eligible clients to bypass the EBD and to make a modified version of the program available in New York State. These changes were effective March 23.

More changes to Life Insurance Fast Track

Effective March 30, 2020, there are two temporary enhancements for Life Insurance Fast Track (LIFT):

1. LIFT will no longer look for the application to be completed in person to qualify for the program.
2. The total amount at risk has been increased to \$1,000,000 from \$500,000 for eligible clients

Modify underwriting rules to enable “no EBD” underwriting

For applicants who are not eligible for or do not pass LIFT and for whom we are unable to secure the lab results from an EBD or the alternative sources above, we will use all available underwriting data to assess the risk. However, the best risk class available will be limited as follows:

- **Term:** For applicants up to age 50 and a total amount at risk up to \$1,000,000, the best risk class available is Nonsmoker. (Applications submitted for over \$1M will be limited to \$1M.)
- **Whole Life:** For applicants up to age 70 and a total amount at risk up to \$3,000,000, the best risk class available is Nonsmoker. (Applications submitted for over \$3M will be limited to \$3M.)
- **Universal Life:** At this time, we will not accept UL applications (including VUL) if we are unable to secure requirements.
- While these changes are in effect, TeleApp must be completed for these cases. More information is secured directly from clients upfront, and its faster and limits personal interaction.
- If you have a case that does not fit the above parameters, please contact the underwriting team.

Update to modified underwriting rule to enable “no EBD” underwriting

Last week we announced modified underwriting rules which limit the face amount, age and risk class for when:

- Applicants who are not eligible or do not pass LIFT, and
- We are unable to secure an EBD or lab results from the alternative sources.

The Term maximum total amount at risk has been increased from \$1,000,000 to \$3,000,000. We will use all available underwriting data to assess the risk and the best risk class will be limited as indicated below. In addition, this program is now available to Universal Life and has the same limits as Term. Applications above the age and amounts limits stated below are not eligible for the “no EBD” underwriting.

Term	Whole Life	Universal Life
For applicants up to age 50 and a total amount at risk up to <u>\$3,000,000</u> , the best risk class available is Nonsmoker (Applications submitted for over \$3M will be limited to \$3M)	For applicants up to age 70 and a total amount at risk up to \$3,000,000, the best risk class available is Nonsmoker (Applications submitted for over \$3M will be limited to \$3M) (Including CSWL)	For applicants up to age 50 and a total amount at risk up to \$3,000,000, the best risk class available is Nonsmoker (Applications submitted for over \$3M will be limited to \$3M)

Please make your clients aware that it is in their best interest for us to make every attempt to get recent lab results, because the more information we have, the better the potential rating we can offer. **Any applicant issued Nonsmoker due to lack of lab results has the option to complete the EBD at a later date for reconsideration of an improved risk class.**

We will continue to evaluate underwriting requirements and product availability, including partnering with our reinsurers to try to expand our “no EBD” program, and we will notify you of any changes.

Offering clients the most coverage possible for their underwriting

Two longstanding programs enable you to offer your clients the most coverage possible for their underwriting, which may be of interest to clients who understand the importance of life insurance protection in this environment.

- **Additional Offer program.** The Additional Offer Program provides clients who have purchased fully underwritten coverage within the last 36 months an opportunity to purchase additional coverage with limited underwriting.
 - The eligibility time frame is 36 months from the original policy's Part 2 date
 - The total face amount allowed is the lesser of an increase of 100% of the original policy or \$2M.
 - Clients can purchase up to 100% of the original face amount of all eligible single life products: Term, Whole Life, Custom Whole Life, Universal Life, Custom Universal Life Guarantee, or VUL.
- **Add a Policy.** When you write a life insurance policy, consult your [underwriting chart](#) to see if the insured still has some “underwriting capacity” left and consider offering an additional policy based on the same underwriting. Please refer to the [underwriting chart](#) to ensure that the total amount of coverage applied for does not trigger the need for additional underwriting requirements, such as an APS.

Underwriting rules changes to reflect the risks posed by COVID-19

To protect New York Life’s financial strength considering the increased mortality risks posed by COVID-19, we are making the following changes to our underwriting rules for applications dated March 25, 2020, and subsequent:

- **Cash with app.** New York Life will no longer accept cash with applications on clients age 60 and above. This change will limit the company’s exposure under the Temporary Coverage Agreement.
- **Foreign Travel and Foreign Residence.** In line with many other life insurance carriers, we will decline applications on clients who will travel to or reside in countries that the [Centers for Disease Control](#) categorize as Level 3 risks.
- **Applicants ages 80 and above.** Until the pandemic is fully under control, we will not accept applications on clients who are age 80 and above. Cases already in the pipeline awaiting requirements will be declined (“Requirements Not Furnished”).
- **Clients who have tested positive for COVID-19.** Please do not submit applications on anyone who has tested positive for COVID-19 until they have fully recovered. Applications on those who have recovered from the virus may

be submitted, along with all requirements including an APS from a U.S. medical provider indicating a complete recovery from the virus.

For more information

We continue to work to find ways to help you and your clients while protecting the long-term financial strength of the company. Please visit the [COVID-19 resource section](#) of Agency Portal for updates and the resources available to you. You can also send your questions to Agency_COVID_Response@newyorklife.com.

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