

Underwriting Hot Topic: Do Your Clients Like Less Work?



A trend worth noting in the life insurance industry today is the shift away from some of the industry's more invasive underwriting requirements. While this change certainly isn't happening overnight, it is starting to provide a little relief for clients. Some underwriting requirements are being eliminated altogether, while other requirements are being revamped so that they are less intrusive (under certain age and face amount restrictions). Fewer requirements mean fewer headaches, and a potentially faster insurance acquisition process.

M Financial Group is on the forefront of streamlining the life insurance underwriting and application processes with secure, proprietary solutions. In conjunction with select partner insurance carriers, M Financial Group is developing eUnderwriting processes that will soon automate and accelerate underwriting risk classification and policy approval, for certain fact patterns. M Financial Group is also working on eSignature solutions, meaning insureds and policy owners may be able to sign forms electronically from any computer or mobile device. Additionally, M Financial Group is working with partner carriers to use technology to improve efficiencies when it comes to filling out paperwork and submitting applications. These advances are unique to our industry and represent yet another added benefit to working with an M Financial Group Member Firm, such as Cornerstone.

In addition to these M proprietary improvements, major insurance carriers are making changes to their underwriting requirements. For example, Lincoln Financial Group has eliminated electrocardiograms (EKGs), for all death benefit amounts, for insureds under age 50 and above age 70, while Pacific Life may issue up to \$3 million of coverage with no medical exams for certain permanent life insurance products for highly compensated executives (subject to a few restrictions). Additionally, John Hancock no longer requires telephone interviews for all death benefit amounts, for applicants between the ages of 18 to 79.

These positive industry changes coupled with a skilled life insurance advisor, help to make the insurance acquisition process faster and more enjoyable for clients. While not every requirement can be eliminated or altered, we at Cornerstone work hard to minimize them for our clients so we can deliver timely insurance strategies that fit with goals and objectives.

This material is intended for informational purposes only and should not be construed as legal or tax advice and is not intended to replace the advice of a qualified attorney, tax advisor, or plan provider.

Underwriting Advocacy

There are many nuances involved in a life insurance acquisition, especially if more than one insurance carrier is involved. Through our confidential and proprietary underwriting process, we strive to ensure that our clients receive the best possible underwriting offers available. We continue to expand our resources and underwriting expertise as we encounter new trends that may affect the implementation of a life insurance strategy.

To learn more about our underwriting approach, please contact us at (330) 665-2376.