



9 Conditions to Watch for Before Submitting Your Application for LTCI

BY MICHAEL COHEN, CLU

If you are the typical broker who writes a few LTCI cases a year, then the underwriting of this product may mystify you at times. If you are writing only a handful of these policies, that means that you are likely used to writing some other product, most likely life or health. As a result, you may have lots of questions about this type of underwriting. Why is it that your client was able to get a life policy for \$5 million but they cannot get LTCI? And what company will take it?

Let's take a look at some medical issues that may result in the acceptance of a life case but may bring your LTC case to a halt. Make sure to do your field underwriting on the following:

1. **Physical therapy:** For life cases, the underwriter wouldn't bat an eye, but for LTCI, it's almost always an instant decline or postponement.
2. **Any back, muscular, or skeletal issues that require any medicine, either over the counter or by prescription:** Find out how the pain management is going. Red flags include a change in medication, narcotic prescriptions such as Oxycontin, epidural shots, and persistent chiropractic or massage therapy.
3. **Osteopenia or osteoporosis:** Some women (and occasionally some men) may be on preventive medications such

as Fosamax. Try to get a copy of the last couple of bone density scans and bring it to your BGA. Most companies will look at the T-Scores and progression. Some cases can be declined solely from the T-Scores (a measurement of bone density).

4. **Asthma and smoking:** While for life insurance this may result in a slight rating, you'll have a tough time finding many companies that will issue an LTCI policy to such individuals. Call your BGA when you run into this.
5. **Arthritis:** While osteoarthritis is usually acceptable, rheumatoid and psoriatic arthritis can cause underwriting issues. Many times the medications are the bigger issue. Red flags would include the use of methotrexate, Plaquanil, gold, and Enbrel. Find out the dosage and call it in to your BGA. Ongoing and prolonged use of prednisone may cause you some problems, as well.
6. **Diabetes with complications or comorbidity factors:**
 - If clients are considered to have juvenile onset diabetes, many companies will automatically decline them. Find out the exact age of diagnosis, because each company has its own threshold of what it considers juvenile or an acceptable age of onset.
 - If the age of the onset of diabetes is acceptable, then get the client's accurate height and weight, as some companies

have separate height and weight charts specifically for diabetics.

- Your client should get you their last few A1c readings. Have them call their doctor and get this information for you because if it's been greater than 8.0, depending on the company, you may be looking at an instant decline.
 - This seems obvious, but it needs to be clarified: You must get the names of the medications they are taking. If a diabetic is on insulin, you need to ask the total units they are taking. The reason for this is that if they are taking more than a certain threshold of units, they may get an instant decline, as well. In fact, some companies will simply decline the case for any insulin use.
 - Check to see if they have any complications such as retinopathy (breaking of the blood vessels in the eyes); peripheral neuropathy (any loss of feeling in the feet); abnormalities found in the urine, such as protein, microalbumin, or glucose; and any vascular abnormalities, including strokes, transient ischemic attacks (TIAs), peripheral vascular disease, coronary artery disease, or high blood pressure. Your client can usually ask their doctor if they have any of these abnormalities.
7. **TIA or stroke:** TIAs, strokes, cerebral vascular disease, and aneurysms — most of these may be obvious. One of the

most frustrating conditions for many brokers is a TIA. If your client indicates that in the past they had to go to the hospital for temporary dizziness, facial or bodily weakness on one side, brief fainting or blackouts, or temporary loss of vision, you could be talking to someone who's had a TIA. What's frustrating for the broker and client is that the diagnosis of a TIA is subjective and is dependent upon the doctor. Neither CT scans nor any other clinical verifiable testing can prove or disprove that a TIA has occurred. In some cases, the client is told that everything is fine and that no adverse findings were found, yet the physician puts "TIA" in the patient's record. If you run into this, you may want to have your client find out if the doctor suspected or indicated a

TIA. Knowing that this is in the records may save you and your clients literally hours of time.

8. Breast cancer with a positive lymph node: Regardless of when the breast cancer occurred, if your client had a lymph node that also tested positive for cancer, the case most likely would be considered metastatic and may be an instant decline. Try to get the pathology report to your marketer.
9. Benign brain tumors: Many brokers make the mistake of thinking that if a tumor is benign it will not be an underwriting issue. They are wrong. The type and location of the benign tumor can cause an instant decline if the tumor has not been removed and, in some cases, even if it has been removed. Try to get the

pathology report or latest CT brain scan to your marketer.

Once you know your client's health, you should review it with your LTCI marketer before even pursuing the case. Knowing what types of LTCI cases are viable and which are not will allow you and your clients to better plan for this important issue. Once you have the information, call your LTCI marketer as soon as possible — anticipating the underwriter's problems and solving them before you submit the app makes for a much smoother sale.

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