

# Reduced underwriting requirements with no fluid tests for life coverages **up to \$2,000,000**

(for life insureds ages 18 to 50)



## Frequently asked questions

### Who is eligible for this reduced underwriting process?

Effective May 20, 2021, most applications for a life insurance product from Empire Life with a coverage amount up to \$2,000,000 for life insured's between the ages 18 and 50 will no longer require vitals and blood profiles.

#### Please note:

**Preferred or Elite rates are still offered for Solution 10, 20, 25 and 30 coverages between \$1,000,001 and \$2,000,000 as an option for those clients who are willing to provide additional underwriting requirements to determine if they qualify.**

Personal telehealth interviews (PHIs), vitals (or paramed) and blood profiles will be required for life insurance coverage amounts starting at:

- \$2,000,001 for individuals aged 18-50
- \$150,001 for individuals aged 51-55
- \$100,000 for individuals aged 56-60
- All amounts for individuals aged 61+

Higher non-med limits are effective for life insureds over age 50 on a temporary basis during the COVID-19 pandemic (See below).

### Which Empire Life insurance products does this reduced underwriting process apply to?

This change applies to **all life insurance products** that follow our Underwriting Guidelines (Life). This includes Solution Series®, EstateMax® and Optimax Wealth®.

### Are there any increases to Empire Life's premium rates as a result of this update?

No, there are no changes to premium rates for any life insurance products as a result of this underwriting change. Empire Life will continue to monitor our competitive positioning and may adjust premium rates in the future.

### Will individuals who qualify for this reduced underwriting process be asked for additional underwriting requirements at a later date?

As per Empire Life's normal underwriting process for new applications, additional underwriting requirements may be required based on the information submitted in the application.

Also, a number of new applications for life insurance product(s) with coverage amount(s) between \$500,000 and \$2,000,000 for life insureds aged 18-50 will be selected for additional underwriting requirements, which may include fluid tests, based on our random selection and underwriting risk selection algorithms.

#### **When will an individual be asked for additional underwriting requirements?**

Additional underwriting requirements may be required if the individual:

- Has a personal or family history of diseases, e.g. stroke, cancer, heart disease or diabetes
- Has multiple driving violations in the past 2 years or has been charged with drug-impaired driving in the past 10 years
- Has a build greater than Empire Life's Standard Underwriting Chart

#### **Why will individuals be asked for additional underwriting requirements based on random selection?**

This process is required to test and validate the accuracy of our underwriting model. Regardless of what individuals disclosed on the applications, they may be asked for additional underwriting requirements based on random selection.

#### **Why was my client contacted for an audit after the telephone interview?**

In order to retain competitive pricing, your customers may be selected to complete an audit at any point in the new application process.

#### **How does this reduced underwriting process affect Empire Life's underwriting rules for Preferred and Elite risk classes?**

There is no change to underwriting for Preferred and Elite rates for Solution 10®, Solution 20®, Solution 25™ and Solution 30®, which rates are available for coverage amounts starting from \$1,000,001 for all ages.

Clients have the choice of applying for Preferred/Elite rates and life insureds will need to undergo fluid tests, or they can choose to apply for Standard rates between \$1,000,001 and \$2,000,000 and no fluid tests will be required.

Please review our "Preferred Underwriting Criteria Guide" for more details: <https://www.empire.ca/docs/pdf/secure/PreferredUnderwriting-CriteriaGuide-EN-web.pdf>

#### **For joint life policy applications, can one applicant choose to apply for Preferred/Elite rates by providing fluids and the other applicant choose to go through the no-fluid underwriting process?**

This is not allowed for joint life policy applications. Both applicants must either apply for Preferred/Elite rates by providing fluids, or choose the no-fluid underwriting process for Standard rates.

#### **If client(s) submit an application for Solution 10, 20, 25 or 30 for Standard rates, can they switch to being considered for Preferred/Elite rates for these products?**

Yes. The life insured(s) will have to follow the underwriting requirements for Preferred/Elite rates and complete a PHI, even if they have already completed the eHQ as part of the Fast & Full Life Application in addition to fluid tests/vitals.

#### **If client(s) submit an application for Preferred/Elite rates for Solution 10, 20, 25 or 30, can they switch back to being considered for Standard rates only for these products?**

No. Client(s) cannot switch an application for Preferred/Elite rates for Solution 10, 20, 25 or 30 to Standard rates if the application has already been submitted. The life insured(s) will be required to complete PHI/fluid tests/vitals once ordered.

### What are the transition rules?

Applications for life insurance coverages **received on or after May 20, 2021** will follow the new underwriting requirements. These underwriting requirements can be found at: <https://www.empire.ca/advisor/support/underwriting>

Any pending, in-process applications for life insurance as of May 20, 2021 will follow the applicable age and amount chart in effect on the application submission date. Any applications for life insurance re-opened after May 20, 2021 will follow the **new** underwriting requirements.

Term Exchange Program for Solution 10<sup>®</sup> coverages with Elite or Preferred risk class: For an exchange on or after May 20, 2021, the Solution 10 coverage can be converted to Solution 20<sup>®</sup>, Solution 25<sup>™</sup> or Solution 30<sup>®</sup> coverage with the same risk class provided the new coverage amount is at least \$500,000 and the last set of rates for that risk class are lower than the current Standard rates. Otherwise, the Standard risk class will apply.

### What are the temporary underwriting limits during the COVID-19 pandemic?

Until further notice, Empire Life will continue our temporary underwriting limits described below for both life and CI products.

Life: continue temporary non-med limit guidelines for life insureds:

- Ages 51 to 60: up to \$300,000
- Ages 61 to 70: up to and including \$99,999 will require a PHI only
- Ages 71+: standard UW requirements apply (e.g. PHI & Vitals, BP)

Critical illness: continue temporary non-med limit guidelines for life insureds:

- Ages 18 to 40: up to \$250,000
- Ages 41 to 50: up to \$99,999
- Ages 51+: standard UW requirements apply (e.g. PHI & Vitals, BP)

 **To find out more, contact your Account Executive or the Sales Centre at 1 866 894-6182**

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**The Empire Life Insurance Company**

259 King Street East, Kingston, ON K7L 3A8 • 1 877 548-1881 • [info@empire.ca](mailto:info@empire.ca) • [empire.ca](http://empire.ca)

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