



New York Life

Advanced Markets Network

Retail Life, Third Party Distribution (TPD)

To: Financial Professionals
From: Scott Long, CLU, ChFC, CVP, Head of Retail Life, TPD
David Payne, CLU, FLMI, ACS, CVP, Head of Retail Life, TPD
Date: April 1, 2020

Temporary Underwriting Changes in Response to COVID-19

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 your clients, while ensuring your safety, the safety of your 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 obtaining Attending Physician Statements (APSs) and paramed services, including specimen collection (blood and urine) and performing the Electrocardiogram (ECG) test as required for age and amount of coverage. New York Life refers to the specimen collection, obtaining blood pressure readings and height/weight measures collectively as the Expanded Blood Draw or EBD. To address these challenges, we are facilitating access to alternative sources of lab results and APS data, and we are making several temporary changes to our underwriting policies to enable underwriting in the absence of Labs/EBDs, while still protecting the company's financial strength.

Underwriting without a paramed exam

Use paramed vendors where possible

Where paramed services are still available, requesting the completion of normal age and amount requirements, including the Expanded Blood Draw (EBD) and electrocardiograms (ECG), are 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.

Alternate sources for lab results

- 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 (blood profile and urine) 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.
- App Part 1, Section A and B of the Personal History and Health Statement (Part 2), and the Telephone Inspection Report (if required for age and amount of coverage) are still needed
- With full requirements, there are no limits on the best risk class.

Submitting your application without a NYL paramed exam

If the Producer is not able to secure the normally required paramed exam with Labs/Expanded Blood Draw, the producer should provide a written explanation stating the reason standard age and amount underwriting requirements (paramed exam, EBD and ECG if required) could not be satisfied. The Producer should also advise in writing the alternative sources of information that will be provided for underwriting consideration, e.g. APS with labs within 24 months (12 months for ages 60 and over), or EBD from prior carriers within 24 months (12 months at age 60 and over).

Enabling “no Labs/Expanded Blood Draw” underwriting

Modified underwriting rules to enable “no Labs/EBD” underwriting for applicants

For applicants who have not had Labs/EBD in the last 24 months, we will use all available underwriting data to assess the risk. However, the best risk class available will be limited as follows:

- **Term:** a total amount at risk is limited to age 50 and below, and up to \$3,000,000, the best risk class available is Nonsmoker. (Applications submitted for over \$3M will be limited to \$3M.)
- **Whole Life:** a total amount at risk is limited to ages 70 and below, and to up to \$3,000,000, the best risk class available is Nonsmoker. (Applications submitted for over \$3M will be limited to \$3M.)
- **Universal Life:** a total amount at risk is limited to age 50 and below, and up to \$3,000,000, the best risk class available is Nonsmoker. (Applications submitted for over \$3M will be limited to \$3M.)

Producers should make their clients aware that it is in their best interest to provide 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 Labs/EBD at a later date for reconsideration of an improved risk class.**

Submitting your application with “no Labs/EBD”

If the Producer is not able to secure the normally required paramedical exam with Labs/Expanded Blood Draw, the producer should provide a written explanation stating the reason standard age and amount underwriting requirements (EBD and ECG) could not be satisfied. The following should be submitted:

- App Part 1 and Section A and B of the Personal History and Health Statement (Part 2)
- Telephone Inspection Report (if required for age and amount of coverage)
- APSs as required for age and amount of coverage or as requested by underwriting for cause

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.

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:

- **Foreign travel and residence.** In line with many other life insurance carriers, we will decline applications on clients who reside or will travel to countries that the **Centers for Disease Control** categorize as Level 3 risks. [Note that the Level 3 countries are different than the Category 3 Countries contained in the New York Life foreign travel category list. The list of countries is subject to change and can be found at https://www.cdc.gov/coronavirus/2019-ncov/travelers/map-and-travel-notice.html#travel-1](https://www.cdc.gov/coronavirus/2019-ncov/travelers/map-and-travel-notice.html#travel-1)
- **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. **For additional information please contact your Field Director or Sales Support by phone at 1-888-695-4748, Option 4 or by email at [AMN Sales Support@newyorklife.com](mailto:AMN_Sales_Support@newyorklife.com).**