

INFORMATION NEEDED TO SHOP LTC

While not all conditions are insurable, this checklist may make shopping easier.

Medical History Checklist

Name _____

Date of Birth _____

Spouse/Partner Name _____

Spouse/Partner Date of Birth _____

State(s) of Residence _____

Tobacco Products - Date last used _____

Height/Weight _____

Medications - dosages - why taken _____

Any changes in medication in last 6 or 12 months? _____

Do you have any health conditions? _____

How often do you see your doctor? _____

When did you last see your doctor? _____

What were the results of the visit? _____

What was the treatment? _____

Is the condition still being evaluated? _____

Does the doctor feel your condition is stable? _____

Has surgery or other test or procedure been discussed or planned? _____

Do you see any specialists? If yes, why? _____

Do you have any physical limitations? If yes, describe. _____

Any hospitalizations in last 5 years? If so, why and results? _____

Do you use any assistive devices? Describe. _____

Is physical therapy planned, in process or completed? If yes, describe. _____

Plan Design _____

Elimination Period _____

Inflation Option _____

Benefit Period _____

Daily/Monthly Benefit _____

Shopping The Impaired Risk

BY JANE L. NOBILETTI

Shopping the medical history can be a great advantage to your clients in the long term care insurance market. Many agents have found that shopping this history results in the best policy features to meet their clients' needs and budgets.

Shopping also can help reduce unrealistic client expectations that might hurt the relationship with the agent, resulting in lost business or putting off clients from sending referrals to the agent.

Underwriting

Most carriers offer standard or preferred classifications, while some simply accept or reject applications or offer other ratings. Classifying the medical history can vary significantly from carrier to carrier as they take into consideration morbidity tables and studies of existing claims histories and patterns.

Underwriting for LTC insurance differs greatly from that of life or disability insurance. For example, some are surprised to be offered coverage after a cancer diagnosis or when taking medications for some forms of anxiety or depression. Others with a sports injury and undergoing physical therapy are shocked to learn most carriers cannot offer coverage until the physical therapy ends.

The need for long term care services usually occurs at the end of the disability spectrum, when people are sickest or in fragile health. Some of the health issues the underwriters evaluate when deciding whether to decline a policy, postpone it, issue a policy or issue it with a rating are as follows:

- Cognitive impairment: senility, Alzheimer's, depression, brain tumors;
- Ability to perform the instrumental activities of daily living: meal preparation, shopping, phone use, laundry, taking medications, housework, managing finances;
- Ability to perform the activities of daily living: dressing, bathing, transferring, incontinence, eating, toileting, mobility;
- Musculoskeletal or balance issues: falls, fractures, osteoporosis, vertigo, alcohol, drugs, osteoarthritis;
- Combination medical histories: Diabetes with obesity or smoking;
- Multiple medications that may have adverse effects;
- Current or recent physical therapy;
- Any recent LTC services: home, nursing, assisted living or adult day care;
- Activities of independence: working, driving, volunteer work, gardening, travel, sports;
- Chronological and physiological age;
- Use of assistive devices: quad cane, walker, oxygen, wheelchair; and
- Planned or recommended surgery or medical-diagnostic tests or procedures.

The prequalification process

Most carriers do not accept trial applications and do not review attending physician's statements. Therefore, the prequalification process begins with a strong relationship between agent and client. This helps assure the client cooperates in delivering a complete medical history.

Once the information is complete, the agent may call his or her carriers or, to save time, share the medical history with a brokerage agency that represents many LTC insurance companies and can find the best carrier, classification and rates. After contacting the carriers, the brokerage agency provides the offers, quotes, comparisons, forms and other sale support the agent may need. The offers are subject to the underwriter's review of all the underwriting requirements—application, medical records from doctors, and personal history from phone or face-to-face interviews.

A checklist, "Information Needed To Shop LTC," accompanies this article. Here are some tips for completing the list:

- Many clients with chronic conditions do not believe they have a health problem. Asking probing questions to learn the depth and stability of the condition can help the underwriting offer.
- "Stability" means the number of months or years the condition is managed without progression or changes in medications.
- Quote and place both spouses or partners with one carrier so they can take advantage of the discounts, which range from 10% to over 30%.

To help in the prequalification process, producers should be aware of some common conditions that often factor into offer considerations:

Cancer staging. Physicians use two systems for describing cancer.

The numerical system assigns stages to conditions, from the least serious, Stage 0, to the worst, Stage IV. It covers cancer of the breast, kidney, lung, ovary, stomach and uterus.

The alphabetical system assigns stages from the least serious, Stage A, to the worst, Stage D. It covers cancer of the colon and prostate.

Bladder cancer can be staged using either system. The Gleason grading system, used for prostate cancer, is graded from 2 to 10, from the least to the worst prognoses.

When evaluating cancer history, the underwriters consider location, date of diagnosis, type of treatment, date of final treatment, complications, recurrence, positive lymph node involvement, spread to other areas, staging, cancer type and persistence or change in tumor marker levels.

Diabetes. Information most helpful to the underwriter is date of diagnosis, height, weight, last two or three HA1C readings (measures the level of control of blood sugar levels), and any related complications such as eye, kidney, circulatory, numbness or tingling of the extremities, non-healing skin wounds or skin ulcers.

Arthritis. Additional information should include type of arthritis, joint affected, height, weight, recent changes or additions to medication, any steroid treatments (along with how much and for how long), any joint replacements and any physical limitations.

Osteoporosis. Height loss, any fractures and when, degree of osteoporosis (T scores) or percent of bone loss, and medication.

Much of the information in this article is based on underwriting guidelines of Genworth Financial, MetLife Inc. and Prudential Financial.

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