

UNDERWRITING INSIGHTS

Tobacco Use and Life Insurance Underwriting

How the insurers of American General Life Companies look at tobacco use in the life underwriting process

Underwriting

AGLC's DEFINITION OF TOBACCO USE. For Life Insurance Underwriting, use of the following tobacco or substitute products in the 12 months preceding the application will qualify for tobacco rates:

- Cigarettes
- Cigars*
- Pipes
- Nicotine substitutes, including patches and gum
- Hookahs
- Smokeless tobacco
- Chewing tobacco
- Snuff
- Electronic cigarettes
- Marijuana use more than twice per month

***CIGAR EXCEPTION.** We will consider occasional cigar smokers for our best non tobacco rates, provided all of these criteria are met:

- The use is admitted at the time of application/inquiry and all case data coincides with the admitted degree of usage
- No more than one cigar per week
- No nicotine metabolites (cotinine) are present in the urinalysis done for American General Life Companies or any other company within the past 12 months; and
- There is no use of tobacco products other than occasional cigars for at least 5 years prior to the time of application or inquiry.

TESTING. We test each urine sample for the presence of nicotine. We have safeguards in place to protect the accuracy of our results.

For additional information, visit the Underwriting Guidelines page on [eStation](#), our producer website.

Typical Tobacco Use Examples

Casual Cigar User...

52-year-old male applying for \$2,000,000 UL. Smokes cigars once or twice a month while playing golf. Reports no other tobacco use in the last 10 years. Urine nicotine is negative. All other preferred criteria meet the Preferred Plus guidelines.



Underwriting decision: Preferred Plus Non-Tobacco – our best rates!

Casual Smoker...

25-year-old female, recent college graduate, works in advertising sales, and applying for \$500,000 term. Has an occasional cigarette while out at nightclubs with friends. Urine nicotine is negative. All other preferred criteria meet the Preferred Plus guidelines.



Underwriting decision: Preferred Tobacco rates apply.

Be sure to check our all-star team of underwriting tools to help you quote the best premium up front!

Field Underwriting Guide – A powerful, portable, pocket-sized underwriting reference booklet

AG Underwriter – An on-line, step-by-step tool for rating complex risks

AG Life Underwriting Impairment Library – our powerful eStation field underwriting reference!

Combined with our other star players – Quick Quotes, XRAE, APS Summaries, and Informal Submissions – Your professional underwriters at American General will consider all the circumstances to provide the best offer possible, no matter what the risk.