

Think about this: “Have you considered a guaranteed issue policy?”

My client has been declined by 3 carriers already. She has a lot of health issues that made her uninsurable. She has 2 kids and her husband just wants a minimal amount of life insurance on her. Is that possible?”

Some clients are either uninsurable or heavily rated due to various reasons. Yet, they might be seeking life insurance with a small face amount. You could talk to them about buying a guaranteed issue policy. This policy is usually a whole life policy that will allow your client to obtain permanent coverage. Some of these policies pay the entire death benefit post issue in the event of death of the client while some others pay the entire death benefit if death occurs after a certain number of years (called graded benefit policy). The company will only refund premiums paid with a compound interest factor if death occurs within the first few years as noted in the policy features.

A guaranteed issue policy typically has low face amounts of \$1,000 to \$50,000. There are no medical questions on the application and the client does not have to undergo any medical test/s and or exam/s.

Most insurance companies issuing such policies will want the client to have the capacity to sign his/her application without using a power of attorney. Also, in most cases, a client who is admitted in a nursing home or health care facility will not be considered for coverage. Some companies might insist on a beneficiary other than a funeral/burial home.

In most cases, getting a guaranteed issue policy comes at a high premium as the insurance company is taking a higher than usual risk by providing coverage. It is extremely important to understand the policy features and advise the client accordingly. A lot of companies have mushroomed within the past several years offering guaranteed issue products. It is also advisable to research the financial ratings of the different insurance carriers under consideration before selecting one.

Guaranteed issue policies should be used as a last resort because some amount of coverage is better than none.

GAIN the Freedom to
Sell The Best and Earn The Most! Call us at **800-847-6426**