

Think about this: **“Underwriting Long Term Care (LTC) cases”**

A LTC case is underwritten differently than a life insurance case. It should not be surprising to many that a client could be eligible for life insurance coverage but could be declined for a LTC policy. Usually, the client does not have to complete a paramed or MD exam after signing the application. The underwriter at his/her discretion may require the client to complete one.

The two important requirements for LTC underwriting are

- 1. APS- is required from the primary care physician (PCP) consulted within the last two-three years. If there is more than one PCP, an APS may be required from each PCP. An APS is mandatory if the client has consulted a specialist in the past 2-3 years for medical conditions such as cancer, heart disease, diabetes, etc.**
- 2. Personal health interview- this is based on underwriter’s discretion and is required mostly for clients over age 70 (age criteria might differ based on individual carrier guidelines). The purpose of the interview is to gather information regarding client’s current functionality and cognitive abilities.**

The below factors are given importance in LTC underwriting:

- Ability to perform the Activities of Daily Living (ADLs) - eating, bathing, dressing, toileting, transferring (walking) and continence.
- Ability to perform the Instrumental Activities of Daily Living (IADLs) - money management, shopping, preparing meal/s, etc.
- Multiple medical problems which, in combination, are more significant than each problem alone-For example, diabetes in combination with heart disease.
- Multiple medications which may have cumulative effects.
- Medical history that may indicate a loss of independence or need for care- arthritis, falls, fractures, etc.
- Is the client maintaining personal independence by working, either full or part-time, participating in hobbies and outside activities, driving, etc?

Before taking a LTC application, the agent should observe the client in his/her surroundings and use the carrier published uninsurable conditions list as a pre-qualifier. If client passes the list, then the above factors should be considered in qualifying the client for LTC coverage.

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