

Ten tips to speeding up applications

How to get your cases issued two weeks earlier

The following tips are based upon an underwriting brochure distributed by Old Line Life a number of years ago and modified slightly by The Brodsky Agency. While these tips were written with Life Insurance cases in mind the principle apply to all line of business.

Old Line Life has now been merged into American General Life, a company that The Brodsky Agency represents.

1. **The Signature Problem.** Leaving your code number off the application will delay issue time. Why? Because not all signatures are easily legible. . We occasionally receive at The Brodsky Agency an application that with no identifiable broker. Even if your signature is legible, your agent code number must be placed on the application. Why? Because the code number drives the commission system. The best solution is to stamp your code number on all applications. By the way... with thousands of licensed producers more than one person with the same name may be licensed with the company. Even your brokerage agency can have more than one agent with the same name. We have several such examples of this at The Brodsky Agency.
2. **The Question Check.** Unanswered questions increase issue time. All questions must be answered on an application. If a question is not applicable to your client, just write in "N/A" or "Not Applicable". Some situations arise where additional forms such as aviation, scuba or financial forms are required. Getting them up front prevents your client from wondering if there is an underwriting problem when none exists. An agent memo on unusual client responses is also very beneficial in avoiding unnecessary delays.
3. **The Adverse Situation.** When you suspect or develop information that may cause a case to be rated or declined, contact your underwriting team. If your application is written through The Brodsky Agency please contact us... we will fax, e-mail or phone underwriting in your behalf. The underwriter can help you determine what additional information may be required. However, sometimes because of the experience of our in house staff we may be able to advise you immediately what additional information may be required.
4. **The Detail Check.** The question was answered on the part 2 as follows: "Dr. Smith, New York - Taking medication for blood pressure." While this is appreciated, it needs amplification, otherwise we can't find Dr. Smith. Complete names and addresses should be provided, such as Dr. Robert J. Smith, 1234 Highgate Boulevard, New York City, NY 56789. If the medication was indicated, we suggest copying the drug name and the dosage directly from the prescription, then an APS might be avoided.
5. **The "How Much" Question.** Why does a college junior who is studying art history need a \$250,000 policy? Why does an eight year old need a \$100,000 policy? Why does a company need a \$1,500,000 key man policy for an employee with an income of \$35,000? All of these situations have occurred and coverage was issued as applied for in each case. But in each instance, policy issue was delayed due to insufficient information. We suggest you submit a cover letter explaining the purpose of the insurance and how the face amount was determined. If a financial plan or similar printout was used, please submit a copy with the application. This may alleviate the need for other financial evidence. By the way, one of the most frequently unanswered questions on the application is the question concerning current coverage in force. This question is very important, especially to reinsurers, and all the more so in these non-traditional situations.
6. **THE MULTIPLE SUBMIT TRAP.** When a producer submits the same case to several companies, the reinsurance pool assumes the client is applying for all of the policies, not just one. An agent memo outlining the competitive situation can be very helpful. A \$1,000,000 case submitted to six companies appears to a reinsurance carrier to be a \$6,000,000 case. Avoid multiple submissions. The reinsurance confusion can take several weeks to untangle. Our company can shop your case for you. If they decline

your case, in many cases they will forward with proper authorization the underwriting file to another carrier for you.

7. Prepare the Insured. Some people have occasionally expressed displeasure with the follow-up. Sometimes your insured, when taken by surprise, will refuse to talk with the inspection company representative. This will delay issue, especially with large case submissions.
8. The "Part 2" Solution. Did you ever wonder why underwriting ordered an APS three weeks after they had received the case? If the Part 2 had been completed, the MIB and the resulting APS could have been ordered three weeks sooner. An MIB cannot be requested until either the exam is received or the Part 2 has been completed. Either of these may indicate the need for additional medical information. Make it a practice to complete the Part 2 even when it is not required.
9. The Proposal Trap. A proposal is an issue requirement for all universal life applications in all states that have enacted the NAIC Model Illustration Regulation (or a state variation of the NAIC Model). In addition testing must be done for each policy for TEFRA and TAMRA guidelines before the policy can be issued. If a proposal is not submitted with an application from a non-Model Illustration state, the company must still obtain or run a proposal before issuing the policy. A proposal is always prudent in every sales situation including universal life, whole life and term life to help document and explain the features and benefits of the life policy to the customer.
10. The Unlicensed Producer. Some people feel that it is sufficient to be licensed in the state where they are soliciting business. The truth is, while you do need the license, it is also a requirement in many states that you be appointed in that same state by each insurance carrier that you are doing business. State regulations vary but make sure you understand the rules of each state you may do business in and anticipate prior to solicitation your appointment needs.

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