

UNDERWRITING INSIGHTS

Case Studies for “Better Choice Preferred”

How the insurers of American General Life Companies can help clients with mild impairments get a better rate class

Better Choice Preferred

Applicants with a variety of mild impairments may be considered for better than standard rates! If our underwriters assess the risk as ‘standard’ (without using any credits), and the applicant qualifies otherwise, we’ll offer preferred rates – even Preferred Plus! Some typical impairments for which we may be able to offer preferred rates include asthma, arrhythmia, anxiety/depression, elevated liver function tests, epilepsy, and treated sleep apnea. Check out these Case Studies for some examples of how Better Choice Preferred can work for you!

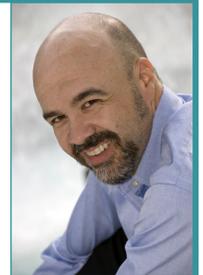


Example #1

Lee, a 61-year-old male, sought \$10 million of 20-year term coverage for income replacement and estate planning needs. The presenting issue was a history of Barrett’s esophagus.

The case had been shopped informally to two other carriers with quotes of Standard Plus and went formal to one of those carriers, resulting in a formal offer of Standard Plus. The total required premium continued to complicate the sale with the client. With knowledge of our Better Choice Preferred program, the agency opened discussions with American General to review the case. The client’s condition was well-followed, well-documented and showed a history of multiple biopsies with no dysplasia present. There was also a recent history of ventricular bigeminy on stress testing, followed by a normal stress echo. Both of these impairments were assessed at “no debits,” which qualified the case for our Better Choice Preferred program, so we reviewed and went to our preferred criteria for final class. Since the client was being treated for high blood pressure and had excellent control, our formal offer was Preferred Nontobacco. The case was closed in less than 38 days from informal to placement for \$65,000 of recurring premium!

Example #2



Don, a 53-year-old business owner, applied for \$7 million of term as a combination of personal and business coverage. His one issue: three years ago, he had two episodes of atrial fibrillation that were of short duration.

He'd had a thorough evaluation that included a normal echocardiogram, and his doctor advised him to lay off caffeine; he did, and there were no subsequent recurrences. While some other carriers might offer rated coverage, we consider his past history of atrial fibrillation as documented here to be a standard risk. Since he met all the other preferred criteria, we were able to consider under Better Choice Preferred and offer him Preferred Plus rates!

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.