

Simplified Underwriting Limits Have Increased

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MetLife and Standard have both announced increases to the monthly benefit available under their Simplified Underwriting Programs. With no lab tests or income documentation required, these streamlined underwriting programs help to make protecting your clients' most valuable asset easier than ever.

- Fewer requirements make your job less complicated.
- Underwriting time is greatly reduced.
- Options and solutions make it easier for you and your clients to do business.

The following updated limits are effective immediately:

MetLife:

Monthly Benefit:	\$7,500: ages 18-45 \$3,000: ages 46-50 \$10,000 for BOE
Maximum Issue Age:	50
Occupation Classes:	1-6 (all classes)
Maximum Benefit Period:	Up to age 70 (lifetime available)
Underwriting Requirements:	<ul style="list-style-type: none">• Financial Section of Application• TeleMed Interview

The Standard:

Monthly Benefit:	\$6,000: ages 18-45 \$3,000: ages 46-50 \$10,000 for BOE
Maximum Issue Age:	50
Occupation Classes:	5A, 4A, 4P, 3P, 3A, 2P, 2A
Maximum Benefit Period:	Up to age 67
Underwriting Requirements:	<ul style="list-style-type: none">• Application• TeleApp Interview• Rx check

Inside this issue:

<u>Simplified Underwriting Limits Have Increased</u>	<u>1</u>
<u>E-Cigarettes: Not Just Smoke and Mirrors</u>	<u>2</u>
<u>E-Cigarettes, Continued</u>	
<u>Introduce Your Clients to LTC Insurance</u>	<u>3</u>
<u>News You Can Use</u>	<u>4</u>

If there are specific topics you'd like to see covered in future newsletters, please contact:

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E-Cigarettes: Not Just Smoke and Mirrors

By Robert Miceli, MD
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John, 34, a florist, has applied for disability insurance. A smoker for many years, he started to also use e-cigarettes three years ago. John states that he quit smoking one year ago, but he still uses e-cigarettes. He has no other medical concerns.

Hypothetical Underwriting Outcome: John continues to use e-cigarettes, and therefore would be rated as a Smoker.

Virginia, 27, a healthy pathology technician, has applied for disability insurance. Four years ago she began using e-cigarettes, but after a year and a half of use, she decided to quit them.

Hypothetical Underwriting Outcome: Virginia stopped using e-cigarettes two and a half years ago. She may qualify for Nonsmoker rates.

Electronic cigarettes are a form of electronic nicotine delivery system that simulate the visual and behavioral aspects of smoking using “vape”, instead of smoke. The older versions resemble cigarettes. Newer versions are larger, tank-style devices with refillable cartridges with alterable contents. They have stronger, rechargeable batteries that can create high temperatures, allowing inhalation of a high amount of high-potency vapor. They aerosolize water, propylene glycol, glycerol, flavorants and nicotine.

There are over 460 brands of e-cigarettes manufactured by over 200 companies, which advertise them as high-tech, glamorous, and a way to get around anti-smoking rules.

Ads imply that e-cigarettes are harmless, but:

- Heating the liquid may produce carcinogens or otherwise toxic substances. Food flavorants have been evaluated for safety for ingestion, not inhalation. Although e-cigarettes don't contain the numerous chemicals and carcinogens produced by tobacco, their long-term safety is unknown, and may not be known for years.
- It is possible that without adequate regulation e-cigarettes and the marketing and unrestrained use of them may have an overall negative impact on public health.
- Engineering differences may affect nicotine contents, which are not always labeled — nicotine has been detected when labels indicated none was present.

E-cigarettes reduce the desire to smoke, but as tools for smoking cessation, their long-term effectiveness is unknown. Though testimonials suggest they are useful, medical studies have not proven e-cigarettes help smokers quit. They are also not approved by the U.S. Food and Drug Administration (FDA). But even if e-cigarettes led to fewer cigarettes being smoked by dual users, any reduction would not result in an equal reduction in cancer risk. This would likely depend on the duration of smoking.¹

There is concern that e-cigarettes may encourage smoking:

- In current smokers, they may be used simply to reduce cravings when smoking is not possible and may delay quitting or deter use of proven smoking cessation methods.
- In former smokers, they may create an urge to smoke again.
- In those who have never smoked, they may serve as a gateway to smoking and encourage transition to cigarettes.

To date, the FDA has only proposed e-cigarette regulations. Several states and cities are considering, or have passed, laws which include age or advertising restrictions and bans on their use in indoor workplaces or public spaces, on flavorings, or regarding online sales. Many have advised avoidance due to health risks.

Urinary testing for nicotine does not distinguish its source, so testing positive will result in smoker rates. Though, even with negative testing, e-cigarette users are underwritten as smokers. This is largely out of concern that they may begin or revert to smoking. Cigarettes are the cause of over 480,000 deaths every year in the U.S. Less than 6% of those who try to quit without assistance have succeeded as of one year later², and there is a substantial relapse rate after one year³. There is also concern about significant long-term risks that may be associated with inhalation of e-cigarette-associated toxins.

(continued on page 3)

E-Cigarettes: Not Just Smoke and Mirrors (Continued)

¹ Grana et al, "E-cigarettes: A Scientific Review," *Circulation*, 2014; 129: 1972-86

² Rigotti, "overview of Smoking Cessation Management in Adults," UpToDate, 2015 (<http://www.uptodate.com/contents/overview-of-smoking-cessation-management-in-adults?>)

³ Stapleton et al, "How Much Does Relapse After One Year Erode Effectiveness of Smoking Cessation Treatments? Long Term Follow Up of Randomised Trial of Nicotine Nasal Spray," *BMJ*, 1998; 316:830-31

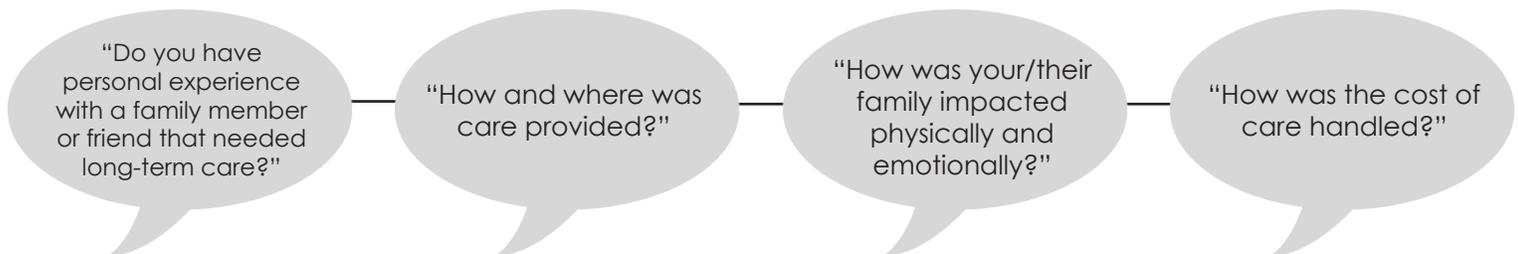
These cases are hypothetical. Actual underwriting decisions will be based on a review of the complete medical history and all other underwriting requirements.

Introduce Your Clients to LTC Insurance: It's Just A Conversation

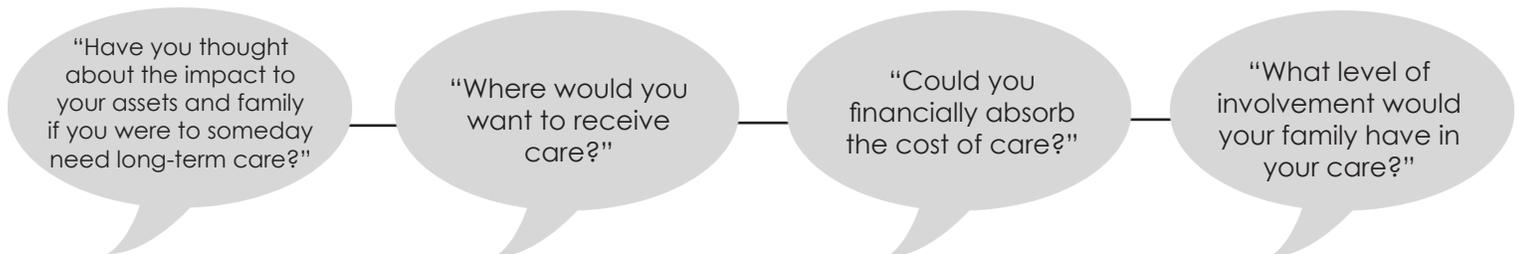
With Long-Term Care Awareness Month just over a month away, we thought you might appreciate a simple, conversational (rather than statistical) approach to use when introducing your client to long-term care protection.

Don't let the topic of long-term care intimidate you out of a potential sale. Long-term care is often perceived as a difficult subject to discuss, but the ultimate goal — financial security — is the same as with any other type of insurance or investment that you currently offer your clients.

The next time you sit down with your clients, avoid leading with product facts and statistics, and try asking the following questions to start the conversation.



After discussing these details, ask your client how they would handle that type of situation:



The goal is to help your clients see LTC insurance as the solution for a situation that could significantly impact their loved ones and their financial future. They will begin to see the valuable benefits of LTC insurance, which creates a natural segue into a discussion on product features and details. Suddenly, the topic you were hesitant to discuss has transitioned into an LTC insurance sale.

Look for more LTC tools in the month of November, Long-Term Care Awareness Month.

News You Can Use

- John Hancock LTC requires the original hard-copy application to be submitted to the carrier. Please be sure to submit an original application to Pacific Advisors at 1702 North 34th Street, Seattle, WA 98103. You can email or fax a copy of the application as well so we can get a head start looking over the application to see if any additional requirements are needed.
- MetLife Income Protector is now available in CA.
- Pacific Advisors supported Ben Towne Foundation at benefit 2015 where they raised funds to help accelerate pediatric cancer research.
- Don't miss a thing! Sign up to receive instant DI news straight to your phone via text message! Text DInews to 313131.