

Quarterly Dialog

CURRENT DI NICHE...



Physicians

The need for disability has always been there, but given the current and unprecedented times we are in people are even more concerned about their jobs, financial stability, and what would happen in the event of a disability. According to the Council for Disability Awareness, there have been over 3.1 million working age Americans who have experienced a disabling injury or illness in 2020 alone, and counting. At the front-line of the current pandemic are those in the health care profession, and many of our DI inquiries are coming from physicians. Therefore, below is information on available plans and discount programs for your physician clients.

Resident/Fellow ML discounts:

Principal: Currently, any physician who is in residency/fellowship can get a 20% (gender-distinct) multi-life discount. Add to this a 10% discount for mental & nervous limitation of 2 yrs. (required in some states and for some specialties) and you get a total discount of up to 30%. The discount is available for graduating medical students, and residents/fellows while in the program or up to 90 days post graduation.

Standard: A 10% (gender-distinct) multi-life discount for residents/fellows is now available at most residencies/post doc programs and for up to 6 months post graduation. But the discount is not available at institutions (refer to the "no fly" list online). Because of this, we need to verify where the potential clients are doing their residency/fellowship in order to quote accurately.

Ameritas: A discount of 20% (gender-distinct) is available at many institutions, but we must check their "no fly" list as well.

For non-resident Physicians:

Principal: We can offer a unisex ML discount with Principal if we can get 3+ lives (all working for same employer). This offers a total discount of up to 30% (with M&N limitation), and an even higher discount for females due to the unisex rate. For those in FL, we can apply an association discount of 10% (gender-distinct) if part of the FMA. Also, if the case is in MT or MA, unisex rates are automatically applied whether it is a multi-life case or not. If doctors are 1099 employees, affiliation discounts are not available. See occ guide for more information.

Standard: A minimum of three lives is required to apply a 10% multi-life discount (gender-distinct rates). But, they may require two lives if both physicians are owners (at least 20% each) of the same practice, and their policies total at least 5K of annual premium combined. A multi-product discount of 5% is also available if the client applies for both DI and BOE with Standard. Note that their discounts are stackable!

CARRIER NEWS & RECENT CHANGES

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Ameritas

-Removed deadline for all COVID-19 changes for now.

Fidelity/Lloyds

-Company name changed to International Disability Underwriters (IDU), but the products they offer continue to be Fidelity's graded plans and Lloyds plans.

-They have starter limits now for those cases where we can't get traditional coverage to offer.

Petersen

-Available in all states, except MT. In NY they will only write IDI, no business products or KP.

Principal

-Minimum requirements for BU rider are back to 75% of max benefit.

Mutual of Omaha

-Suspended sales in WY starting at the end of last year.

-Getting ready to launch a new DI product.

Standard

-Resident/fellow discount available up to 6 months post graduation.

-Beginning of year, suspended sales of any product in WY.

-Minimum requirements for BIR rider are back to 75% of max benefit.

Continued...

Ameritas: A multi-life discount of 15% (gender-distinct) is available, if the client works somewhere where there is an established discount. We have a list of institutions and can check for you. If not available, you can start a new ML case (15% discount, gender-distinct) with a minimum of 3 lives. There is also the DSBN (Doctor's and Surgeons Benefit Network) which is a 15% association discount available to any physician. Note a 10% commission split is required to be able to use it. Lastly, they have an additional 10% Preferred occupation discount available for some specialties that fall under a 6M class.



COVID-19

Principal & Standard have returned to their minimum "75% of max benefit" requirement for their BU/BIR rider as the summer ended.

Principal will begin restoring BU riders this month, for those who lost it between March and August for reasons other than reaching max age.

Self employed Dentists are still restricted by Principal. Coverage will be based on 75% of 2019 income up to age 55. If over age 55, then it's 50% of 2019 income. Minimum waiting period of 90 days. No Business Owner Allowance allowed.

Grace periods for premium payments were extended by up to 60 days past deadline with most carriers. (This also applies to applications for BIR/BU and FIOs).

Testing Positive and/or DI claims for COVID-19 :

****Being quarantined due to exposure without an actual diagnosis does not qualify for a DI claim.****

Any application taken while client is not working full-time due to being furloughed, unemployed, or business having to closed due to COVID-19 will be postponed. Those working temporarily from home, full time, can still apply for coverage.

The consensus for most of our carriers when it comes to being diagnosed with COVID-19, is that they may consider once the client is clear and has tested negative for the disease and is back to working full time, subject to underwriting. This may vary slightly from carrier to carrier. For example, Ameritas may require a minimum of 30 days following full recovery, and a good health statement, depending on severity, etc. The Standard has said, depending on the severity of the illness, they may postpone coverage for up to 6 months after recovery and client must be back to working full time.

In the event of a client being unable to work due to the illness and wanting to file a claim, the client must be deemed disabled and unable to work by a physician and must satisfy the duration of their waiting period. All would be subject to review of medical records.



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If you would like a specific topic featured on future newsletters, please contact Shirley Hernandez.

Did you know?

Simplified Underwriting Limits - Top 3 carriers (no labs)...

- PR- up to age 50 - 10K max (in all states except NY and CA (6k max there). Ages 51-64 is up to 6K but only in ML scenario.
- AM- up to age 45 - 10K max
- ST- up to 10K no age limit - deadline is Sept 30th.

Unisex rates required in some states...

- In MA- PR, AM, IM and AS apply unisex rates. MO and IDU (FS) suspended sales in MA. ST suspended Buy Sell in MA, and they don't offer BOE there.
- In MT - unisex rates apply with most carriers.
- In OH- Ameritas applies unisex rates when it's a multi-life/assoc. discounted case.

QUOTE DEPARTMENT REMINDERS/NOTICES:



The team is working remotely for the most part, and therefore we prefer email communication. However, we are all available to take calls. We just ask for patience with cell phone reception and possible background noise.

Team extensions:
Shirley - 107
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