

COVID-19 Life Underwriting Update

Temporary Underwriting Guideline Changes

Effective April 13, 2020

The spread of the coronavirus (COVID-19) continues to affect every aspect of the way we live and work. During these unprecedented times, Lincoln is committed to proactively managing our business to ensure we are operating responsibly and remaining focused on serving our customers and producers. Our Leading-Edge Underwriting philosophy has not changed. However, we must implement temporary changes to our underwriting guidelines to effectively navigate the risks associated with the pandemic.

Beginning Monday, April 13, 2020, the following updates will apply to all pending and new submissions of Lincoln individual life insurance policies, including Lincoln *MoneyGuard*®. Lincoln will re-evaluate our position in June 2020, as the COVID-19 pandemic evolves, and/or as the Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO) gives further guidance.

PLEASE NOTE: These changes are temporary, subject to change, and will override any underwriting guidelines currently published in Lincoln's marketing or reference material.

Life Insurance Underwriting Updates

The following updates are temporary and will apply to all Term, Universal Life, Indexed Universal Life and Variable Universal Life policies. Formal applications in a *QUOTE*, *APPROVED*, *ISSUED* or *PLACED* status as of April 13, 2020 will not be impacted.

Internal Retention

Lincoln's Internal Retention will be reduced to the following limits:

- \$5 million maximum limit for term and permanent products
- Available up to age 65 only
- Preferred Plus, Preferred and Standard rate classes only

Table Reduction Program (TRP)

Temporary Table Reduction Program Guidelines:

- Ages up to 65: No changes to current TRP guidelines
- Ages 66-70: Limited offers with consideration up to Table 2 only. All other classes will be postponed
- Ages 71 and up: No changes to current TRP guidelines; TRP not available

Postpones

All cases meeting the following criteria will be postponed:

- Ages 65 and under, rated Table 5 and higher
- Ages 66-79, rated Table 3 and higher
- Ages 80-85, all classes

Accelerated Benefit Riders (ABR)

All applications for an ABR meeting the following criteria, the rider only will be declined:

- Ages 70 and up, with sub-standard rate classes
- Applicable for *Lincoln Care Coverage*® ABR and *Lincoln LifeEnhance*® ABR only

The base life insurance policy will continue to be reviewed for an Underwriting offer.

Lincoln MoneyGuard® Underwriting Updates

The following updates apply to all Lincoln MoneyGuard policies. Formal applications in a *QUOTE*, *APPROVED*, *ISSUED* or *PLACED* status as of April 13, 2020 will not be impacted.

Postpones

All cases meeting the following criteria will be postponed:

- Ages 70 and up, deemed to be sub-standard, up to Table 4
(Lincoln currently issues Lincoln MoneyGuard cases up to Table 4 at a standard rating)

After the COVID-19 Underwriting restrictions have been lifted, clients who would have been eligible prior to this update could be considered for the Lincoln MoneyGuard product available in the market at the time of the offer.

Underwriting Guidelines for Foreign Travel

The following updates were implemented March 20, 2020, and apply to all Lincoln life insurance applications, including Lincoln MoneyGuard® Solutions.

- **Underwriting offers will be postponed indefinitely for:**
 - Any travel planned to a Level 3 country identified by the CDC, intended to be completed by June 30, 2020, or 14 to 30 days after the CDC lowers the alert status
- **Indication of planned travel after June 30, 2020, to a Level 3 country identified by the CDC will be evaluated on a case by case basis depending on the situation.** Postponement is likely, but limited face amount options could be considered depending on the age and country travelled to
- If travel plans to a Level 3 country are cancelled or delayed until travel is determined to be safe by the CDC, Lincoln will amend the application and proceed with completing the underwriting process
- Each situation will be evaluated on its own merits and we will provide further guidance as more information is known about the pandemic status
- CDC website [[cdc.gov/coronavirus](https://www.cdc.gov/coronavirus)]

Verification of Health Status

As previously announced, due to the ongoing pandemic and rapid spread of the coronavirus (COVID-19), Lincoln is requiring the **Declaration of Insurability (DOI) Form [ICC18LFF11709]** for all underwritten life insurance policies issued on or after March 30, 2020. This requirement is applicable for:

- All underwritten Term, UL, IUL, VUL products, excluding Lincoln MoneyGuard®
- All ages and face amounts
- Any exam completion date
- Any case that was previously closed and requested to be re-opened
- Any case with a Temporary Insurance Agreement (TIA) is in place

The DOI form is required to be signed after policy issue and will be a Delivery Requirement. For 1035 Exchanges, the DOI form will be required to initiate the exchange. The policy will not be placed in force until the DOI form has been signed and returned to Lincoln in good order.

If the client has COVID-19, it must be disclosed. Lincoln will then determine if it can continue to offer the policy or postpone until the client fully recovers.

Partnering with you

Obtaining medical records, labs and other requirements

- As states are continuing to implement stay-at-home orders, along with facility closures and other state restrictions, we recognize that you may experience delays as a result of the inability to retrieve an APS and medical records, criminal reports and/or obtain exams or labs. While these requirements will not be waived, to help keep business moving forward, Lincoln will:
 - Attempt to obtain information needed for Underwriting in alternative ways, including but not limited to: obtaining Electronic Medical Records, PHI calls for medical history information and/or clarification, Claims Billing Data, and asking the client to obtain medical information from their Patient Portal(s)
 - Work with clients to schedule exams and/or obtain necessary information as normal business operations begin to resume, including scheduling out farther than the current 45-day limit
 - Honor insurance applications for 1 year from the date of submission and Lincoln will keep the file open as we work to obtain outstanding requirements

Working from home and doing business electronically

- Lincoln offers options for you to conduct business digitally with your clients – from policy submission to policy delivery, and in between. The following resources will help guide you through the process:

Conducting business

- [Policy Submission Guide](#)
- [Policy Delivery Guide](#)
- [Self-Service Pending Case Status](#)

Obtaining Signatures & Requirements

- [Photo Image Acceptance](#)
- [eNIGO](#)
- [DocuSign eSignature](#)

Up-to-Date Life Operations FAQs and Resources

Visit our NEW agent-approved website: www.LFG.com/GoDigital for the latest news and updates, FAQs and resources from Lincoln Underwriting and New Business and Customer Solutions.

- [COVID-19 Life Operations Frequently Asked Questions](#)

Temporary Underwriting Updates: Frequently Asked Questions

We know that you may have questions regarding our temporary Underwriting guidelines and the impact they could have on your business. If you have additional questions about these updates, please contact your dedicated Lincoln Underwriting team. For other questions related to COVID-19 Underwriting & New Business impact, reference the [Life Operations FAQs](#).

1. For these temporary underwriting guidelines, is Lincoln basing offers on attained age or insurance age?

Insurance age will be used.
2. If I received a tentative written offer on a Trial application prior to 4/13/20 for a case now impacted by the temporary guidelines, will Lincoln honor the quote?

No, the Trial tentative written offer will not be honored. When a formal application is submitted, it will be subject to the temporary underwriting guidelines.

For internal retention cases, see question 4.
3. If my case is in a *QUOTE* status, on a formal application (subject to receipt of additional information), received prior to 4/13/20, will these temporary guidelines now apply to my case?

No. For a formal application, cases in a *QUOTE* status will be honored so long as the additional information is received as expected.

If the case is not in a *QUOTE* status, the formal application will be subject to the temporary underwriting guidelines in place.
4. If I received a tentative written offer on a Trial application, prior to 4/13/20, for an **Internal Retention amount** above the new temporary maximum limits, will Lincoln honor the quote?

Yes. The written offer will be honored **as long as the formal application is received by Lincoln no later than April 24, 2020.**
5. If my case is in a *QUOTE*, *APPROVED*, *ISSUED*, or *PLACED* status as of 4/13/20, will my case be impacted by these temporary guidelines?

No, we are not pulling back offers for cases that were already in a quote, approved, issued or placed status by 4/13/20.

The temporary guidelines will only apply to pending cases not already in *QUOTE*, *APPROVED*, *ISSUED* or *PLACED* status as of 4/13/20 and any new submissions on or after 4/13/20.
6. How does Lincoln define cases in a *QUOTE*, *APPROVED*, *ISSUED* or *PLACED* status?

QUOTE: The underwriter has made a written offer and updated the case to a *QUOTE* status in the system. There could be outstanding requirements that are needed to issue the case.

APPROVED: All issue-restrictive requirements have been received and the underwriting decision has been deemed acceptable by the client.

ISSUED: The policy/contract has been issued. **PRINT:** Policy has been printed, bound and mailed to the agent for delivery to the client. **ELECTRONIC:** ePolicy Delivery package has been initiated.

PLACED: The policy/contract has been placed in force.

7. If Lincoln approved a case prior to 4/13/20, and now the client wants a policy change, including an increase the face amount, will the new temporary guidelines apply as a result of the change?	Yes. For any face amount increase or other policy change(s) that would require a new underwriting review, the temporary underwriting guidelines would apply. The client would also be required to sign another Declaration of Insurability Form after policy issue.
8. If my case was previously incomplete, withdrawn or postponed and reopened on or after 4/13/20, will these temporary underwriting guidelines now apply?	Yes. These guidelines will apply to any pending case or new submission as of 4/13/20. Reopened cases are considered new submissions but would retain the original policy number as long as the application date and medical information is still valid.
9. Were there any changes to Lincoln’s auto-reinsurance pool?	No. Lincoln’s auto-bind remains the same at \$60 million.
	No. Lincoln Underwriting & New Business is comfortable with our current risk profile and competitiveness of Lab-Free consideration for Tele-App submissions of cases up to \$1 million for clients age 60 and under, for all preferred plus, all preferred and most standard-rate classes.
10. Is Lincoln planning to expand Lab-Free consideration for higher face amounts?	If a full application was submitted for a case that meets Lincoln’s criteria for lab-free consideration, the agent can request a switch to the LincXpress Tele-App. The client will be required to complete a full Tele-App interview and the lab-free determination will be made during the underwriting process but is not guaranteed. Contact your New Business Associate to get started. Details here.
11. Will Lincoln make an offer with a Flat Extra?	Yes. Lincoln will accept a Flat Extra up to \$5 per \$1,000.
12. Will Lincoln make an offer for a Table Rating with Flat Extra?	No. Any table rating with Flat Extra will be declined.
13. If my client was postponed for Lincoln <i>MoneyGuard</i> based on the temporary guidelines, can Lincoln re-open the case or will my client need to submit a new application and reapply?	Lincoln will re-open the case for consideration. After the COVID-19 Underwriting restrictions have been lifted, clients who would have been eligible prior to this update could be considered for the Lincoln <i>MoneyGuard</i> product available in the market at the time of the offer.
14. How does Lincoln define “sub-standard” for Lincoln <i>MoneyGuard</i> cases?	Table 2-4 would be considered sub-standard. Lincoln does not make offers above Table 4 for <i>MoneyGuard</i> .
15. Will any changes be made to Lincoln’s Illustration software based on these temporary restrictions?	These underwriting updates are temporary; therefore, no changes will be made to the software.
16. Is Lincoln planning to postpone cases for “front line COVID-19” healthcare workers?	No. Lincoln is not taking any action against healthcare workers or first responders.
17. How long will the postpone period be?	The postpone period will last until the risks associated with COVID-19 have been lessened, as determined by Lincoln Management, at our sole discretion.

We appreciate your business and your partnership. If you have additional questions, please do not hesitate to reach out to your dedicated Lincoln Underwriting team.

Life insurance issued by The Lincoln National Life Insurance Company, Fort Wayne, IN and Lincoln Life & Annuity Company of New York, Syracuse, NY, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. Contractual obligations are backed by the claims-paying ability of the issuing insurance company. The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Lincoln Financial Group is the marketing name of Lincoln National Corporation and its affiliates.