PAL/NGM Processing PITFALLS

Tips and Tricks to get your applications through underwriting faster and setting clear expectations!

Ensuring Speedy Underwriting

When Cases Get Issued Faster:

- ✓Your Client Receives Their <u>Coverage Promptly!</u>
- ✓You Get <u>Paid Quickly!</u>

PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY®

Ensuring Speedy Underwriting

Be sure to stay informed and keep up with the latest news and changes to ensure you are not giving out bad information unknowingly!

Check out this awesome email that was recently sent out to agents!

PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY®

How to Avoid Underwriting Delay

Top Five Reasons for Underwriting Delay

1. Misinterpreting or answering the tobacco question wrong

2. Using incorrect client information such as: e-mail address, occupation, birthday, SSN and banking numbers

3. Failing to rate for conditions according to the underwriting guide

4. Not reminding your client to complete the e-verification promptly

5. Submitting another application instead of e-mailing underwriting with updates or coverage changes to your pending business

Important Reminder From Underwriting

If you find that you made a mistake or need to edit coverage after an application has already been submitted, DO NOT submit another application!

For your pending business, e-mail updates and additional information to healthunderwriting@neweralife.com.

PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY®

Underwriting Statuses Explained

Telephone Interview Pending `Action Required`
Our Telephone Interview department is attempting to reach the applicant for phone verification.

Underwriter Action Pending `No Action Required`
The application is being reviewed by an underwriter. The applicant has completed their e-verification or has fulfilled other underwriting requirements needed. Please note, cases are reviewed in the order of requirements fulfilled.

Add'l Infor Needed `Action Required`
We need additional information in order to proceed with your application. You or the applicant have been notified directly of the additional requirements needed. E-mail healthunderwriting@neweralife.com with updates or questions.

10 Day Letter - Other `Action Required`
We have followed up in writing for a missing underwriting requirement. If the requirement isn't received within ten calendar days from the date of the letter, the application will be closed. E-mail healthunderwriting@neweralife.com with updates or questions.

Approved - Immediate Draft `No Action Required`
The application has been approved for issue. Policies will typically be issued within 24-48 hours depending on the current business volume. Once issued, the policyholder will see an immediate draft to their bank account for the premium and any applicable policy fees.

Declined `No Action Required`
After close review, an underwriter has declined coverage. The application will be closed within 24-48 hours and the applicant will be notified via mail.

Closed/Incomplete `No Action Required`
The application is closed due to incomplete underwriting requirements.

Withdrawn by Applicant's Request `No Action Required`
The application has been withdrawn by the applicant.

E-Verification E-mail

Dear Ms. Applicant;

We have received your application(s) for insurance coverage with our company.

To enable us to expedite processing of your application(s), we are providing you with an opportunity to review the application(s) submitted and confirm that all answers provided were recorded correctly.

To proceed with this verification process, please click the link below and follow the instructions as prompted. If you are unable to click the link, please copy and paste it into the address bar of your web browser.

http://nehdws/policyholder/policy/verification?7946454A38554C7235654D6E467546596C6D383457673D3D

*** **For security reasons this verification link will expire on Friday, September 25, 2020 4:59 PM CST.** ***

Thank you for considering our company for your insurance needs.

If you should have any questions or need any assistance with this electronic verification process, please contact your agent or our office at 1-800-543-6240. For all other inquiries please call 1-888-748-3040.

Sincerely,

New Business Department

Verify Each Application

APPLICATIONS TO VERIFY

We have received your application(s) for coverage. To enable us to expedite processing your application(s), we are providing you with this opportunity to review each application submitted and confirm that all answers provided are recorded correctly.

To get started, simply press the "Verify" button next to each application number displayed. Upon completion of your review, please answer the few questions on the Verification Questions screen and press submit.

If you should require any assistance with this process, please contact our office at 1-800-543-6240.

> ℹ Before you complete your review of the application(s), we want you to know that this document with your responses will be included in your file. It is important that you know that any previous or current health conditions that are asked and not fully disclosed on the attached application(s), could in certain situations cause loss of coverage. In addition, pre-existing conditions disclosed or not disclosed are not covered under your new policy for the period of time specified in the policy, with the exception of Maryland policyholders.

Submitted Application(s)

ENHANCED ACCIDENT

| Application Number | 6611008599 | Effective Date | 3/1/2016 | Verify |

Verify Each Application

Questions

1. I agree that all answers are recorded correctly and I am applying for coverage with Philadelphia American Life Insurance Company. I further agree that I have reviewed my application with regard to tobacco or nicotine use in the past 24 months and the answer has been properly and correctly recorded on my application.
(If the answers are not recorded correctly, please select "No" and provide the correct information in the Comments section below.)

○ Yes ○ No

2. I understand that the coverage I am applying for is not a major medical plan and may not provide the same level of benefits of a major medical plan.

○ Yes ○ No

3. I have received a brochure outlining the coverage provided by this plan.

○ Yes ○ No

4. I understand and agree that **application fees** (where applicable) will be drafted from my account immediately following final underwriting action even if it is before the effective date of coverage unless you are paying by credit card. Credit card accounts will be charged on the policy effective date. Application fees vary by state and product and may be **non-refundable**.

○ Yes ○ No

5. I understand and agree that the **first month's premium** will be drafted from my account immediately upon underwriting approval even if it is before the effective date of coverage unless you are paying by credit card. Credit card accounts will be charged on the policy effective date.

○ Yes ○ No

6. I understand and agree that my policy effective date will be 3/1/2016.
(If you need to change your effective date, please answer 'No' and enter a new date. Please be advised that the effective date will be the latter of your requested date or underwriter approval date.)

○ Yes ○ No

7. I confirm that the banking information provided is accurate and I am an authorized signer on the account.
(If the current banking information is incorrect, please answer 'No' and provide the correct information below)

○ Yes ○ No

Verify Each Application

I certify that I am the primary Applicant listed in the Application and affirm that I have personally provided all the answers to questions in the Application and herein. I acknowledge that by typing my name below, I confirm that I have reviewed and understood all questions, I have completed my application review, and that I have answered all the questions truthfully and accurately to the best of my knowledge and have been accurately recorded. I understand that and agree that the agent has no authority to instruct me in the answering of any question and may not modify, waive, and/or change any condition or provision of the Policy for which I am applying.

Signature: ✎ Draw It   ✗ Clear

Please use mouse or on touch screen use stylus or finger to draw

Name:

Best Phone Number: ###-###-####   Best time to call: HH:MM AM/PM

Should our underwriter need to contact you, please provide the best phone number and time of day for us to reach you.

Comments:

Submit

Application Questions That Slow Down Processing

8. Has anyone to be insured used any form of tobacco (including smokeless) or nicotine (e-cigarettes, cigars, pipe or chewing tobacco) within the past 24 months?

9. In the last 12 months has any applicant been diagnosed, treated or tested by a physician or taken medication for any of the following conditions and **has seen a physician more than twice for any of these conditions?** Agent: Please add one (1) point for each condition and underline the conditions(s).

It's not a trick question!
30% of counteroffers result from this question.

Application Questions That Slow Down Processing

12. In the last 12 months, other than conditions mentioned above, has any applicant had any medical or surgical advice including treatment, prescriptions, operations or been advised to have medical test(s) (excluding HIV and AIDS) or surgery that has not yet been performed, or is awaiting a medical test (excluding HIV and AIDS)?

13. Is there any other conditions that will required a rate up? **Agent: Please put the appropriate amount of point(s) in the box and provide details in the next section.**

Does this question include COVID?

YES!!!

USE THE UNDERWRITING GUIDE!!!

What is a "Clean Application?"

A "Clean Application" is one where all the questions have been checked "no" and there is absolutely no mention of any medications or medical conditions. Apps like these usually cause problems later!

If they REALLY are clean,
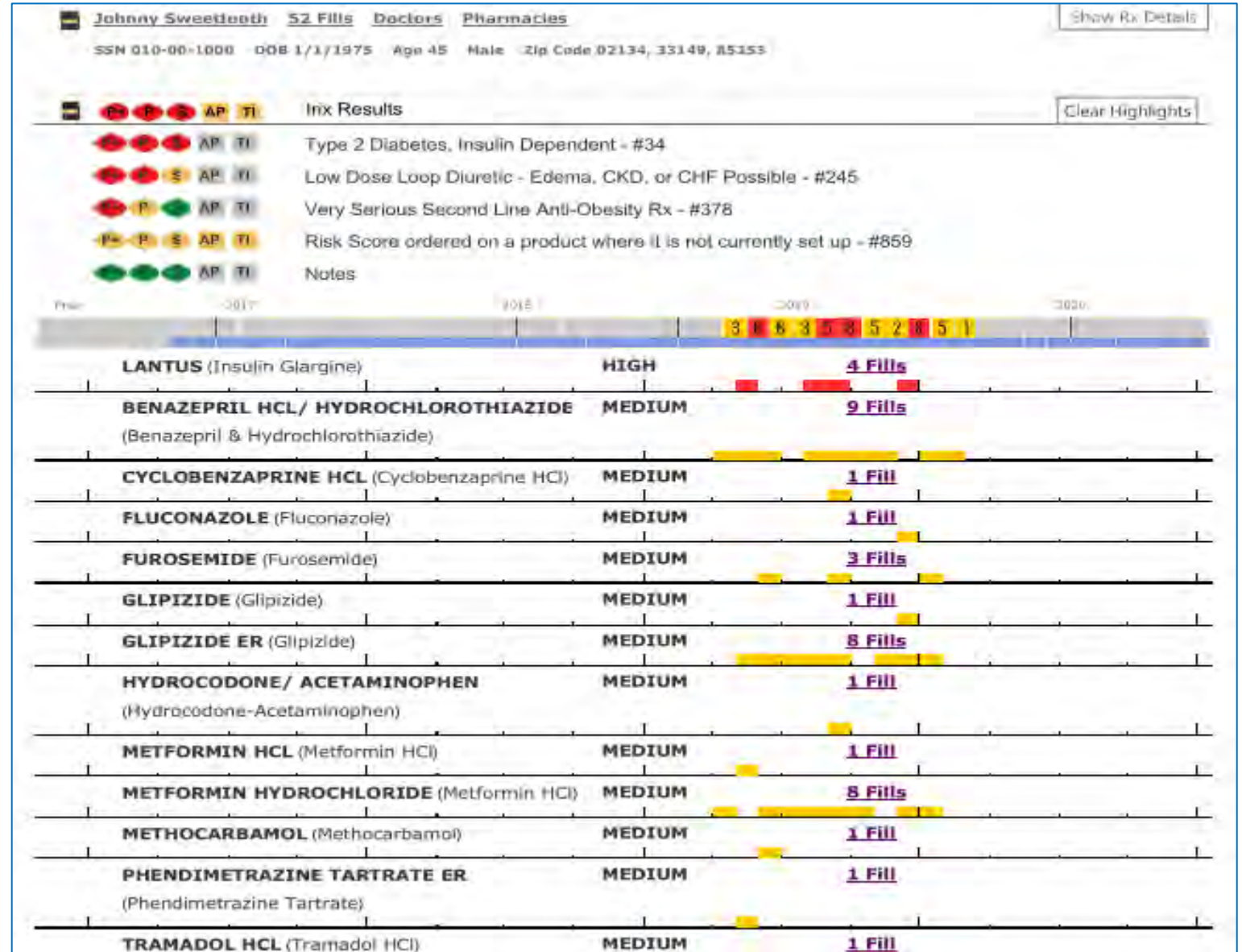make a note that says so!!!

Underwriting & Rx History

Our underwriters check past prescription history!

When answering medical questions, remind your client to think about their **past** prescription history.

Clean application example.

IRIX SUMMARY

S **ST** **TI** **AP**

S **ST** **TI** **AP**	#691	**Concurrent Use of Opioids and Benzodiazepines**
		Opioid Rx
		HYDROCODONE/ACETAMINOPHEN
		NORCO
		OXYCODONE/ACETAMINOPHEN
		Benzodiazepines
		ALPRAZOLAM
S **ST** **TI** **AP**	#9014	**Dx - Alpha-1-Antitrypsin Deficiency - Prior3**
		Dx - Alpha-1-Antitrypsin Deficiency
		E88.01 - 10/24/2019-10/24/2019 - Alpha-1-antitrypsin deficiency
S **ST** **TI** **AP**	#9477	**Dx - Chronic Pain Syndrome - Prior2**
		Dx - Chronic Pain Syndrome
		G89.4 - 04/25/2019-11/11/2020 - Chronic pain syndrome
S **ST** **TI** **AP**	#246	**Gastrointestinal GERD Rx possible - Prior2**
		H2 - Antagonists
		FAMOTIDINE
S **ST** **TI** **AP**	#452	**Prescription by Physical Medicine or Pain Specialist - Prior2**
		Physical Medicine or Pain Specialty Prescriber
		NORCO
S **ST** **TI** **AP**	#337	**Systemic Corticosteroids - Frequent or High Quantity**
		Significant Systemic Corticosteroid
		METHYLPREDNISOLONE DOSE PACK
		Corticosteroids
		METHYLPREDNISOLONE DOSE PACK
		PREDNISONE

S **ST** TI AP	#9217	**Dx - Osteoarthritis - Once**	

Dx - Osteoarthritis

    M17.0 - 05/23/2019-05/23/2019 - Bilateral primary osteoarthritis of knee

    M19.222 - 05/23/2019-05/23/2019 - Secondary osteoarthritis, left elbow

S **ST** TI AP	#1468	**Systemic Corticosteroids - Multiple Recent Fills**	

Corticosteroids

    METHYLPREDNISOLONE DOSE PACK

S **ST** TI AP	**Notes**	

Anxiety/Panic First Line - MultFills - #51

Benzodiazepines

First and Second Line Depression Drugs
    SERTRALINE HYDROCHLORIDE
Depression / Psychiatric First Line Rx use - #79
SSRI
    SERTRALINE HYDROCHLORIDE
Dx - Actinic Keratosis - Once - #9004
Dx - Actinic Keratosis
    L57.0 - 02/25/2021-02/25/2021 - Actinic keratosis
Dx - Anxiety Disorders - Prior2 - #9032
Dx - Anxiety Disorders
    F41.9 - 11/16/2018-11/11/2020 - Anxiety disorder, unspecified
Dx - Balance Disorder - Prior2 - #9048
Dx - Balance Disorder
    R26.89 - 05/03/2021-05/03/2021 - Other abnormalities of gait and mobility
Dx - Benign Tumor, Unspecified - Once - #9052
Dx - Benign Tumor, Unspecified
    D22.4 - 02/25/2021-02/25/2021 - Melanocytic nevi of scalp and neck
    D22.5 - 02/25/2021-02/25/2021 - Melanocytic nevi of trunk
    D22.61 - 02/25/2021-02/25/2021 - Melanocytic nevi of right upper limb, including shoulder
    D22.62 - 02/25/2021-02/25/2021 - Melanocytic nevi of left upper limb, including shoulder
Dx - Class 1 Obese: Low Risk (BMI: 30-34.9) - Prior2 - #9903
Dx - Class 1 Obese: Low Risk (BMI: 30-34.9)
    Z68.33 - 10/24/2019-10/24/2019 - Body mass index (BMI) 33.0-33.9, adult
Dx - Hyperlipidemia - Prior2 - #9172
Dx - Hyperlipidemia
    E78.4 - 04/18/2018-04/18/2018 - Other hyperlipidemia
    E78.5 - 11/16/2018-11/11/2020 - Hyperlipidemia, unspecified
Dx - Hypertension - Prior2 - #9175
Dx - Hypertension
    I10 - 04/18/2018-11/11/2020 - Essential (primary) hypertension
Dx - Insomnia - Prior2 - #9470
Dx - Insomnia
    F51.02 - 04/07/2020-02/16/2021 - Adjustment insomnia
    G47.00 - 04/18/2018-10/24/2019 - Insomnia, unspecified
Dx - Malaise or Fatigue - Prior2 - #9325
Dx - Malaise or Fatigue

David Najjar

Family Practice

2850 Hog Mountain Rd
Ste 102

Dacula, GA 30019

770-614-5454

DRUGS			FIRST FILL		LAST FILL
ALPRAZOLAM	H	41 Fills	09/09/2016	—	04/26/2023
ATENOLOL	M	17 Fills	06/03/2016	—	09/27/2017
AZITHROMYCIN	L	2 Fills	08/26/2021	—	12/23/2021
CIPROFLOXACIN HYDROCHLORIDE	L	1 Fill	03/27/2020	—	03/27/2020
INDAPAMIDE	M	1 Fill	03/02/2022	—	03/02/2022
LIDOCAINE HYDROCHLORIDE VISCOUS	L	1 Fill	12/21/2021	—	12/21/2021
LISINOPRIL	M	45 Fills	06/03/2016	—	08/06/2021
LISINOPRIL/HYDROCHLOROTHIAZIDE	M	13 Fills	04/20/2022	—	04/26/2023
METHYLPREDNISOLONE DOSE PACK	M	1 Fill	04/10/2023	—	04/10/2023
OXYCODONE/ACETAMINOPHEN	M	19 Fills	03/01/2017	—	04/20/2023
PREDNISONE	M	3 Fills	08/26/2021	—	01/19/2023
SERTRALINE HYDROCHLORIDE	M	57 Fills	06/03/2016	—	05/09/2023
SIMVASTATIN	M	47 Fills	06/03/2016	—	04/26/2023
ZOLPIDEM TARTRATE	M	1 Fill	04/07/2020	—	04/07/2020

| SERVICE DATES	PROVIDER	CLAIM DETAILS		
10/24/2019 - 10/24/2019	**SUBMITTED PROVIDER**	**DIAGNOSIS**		
	DAVID JONATHAN NAJJAR	Encounter for immunization	ICD-10	Z23
	FAMILY PRACTICE	Hyperlipidemia, unspecified	ICD-10	E78.5
	2850 HOG MOUNTAIN RD STE 102	Chronic pain syndrome	ICD-10	G89.4
	DACULA, GA 30019	Anxiety disorder, unspecified	ICD-10	F41.9
	011 - Office	Abnormal results of liver function studies	ICD-10	R94.5
		Insomnia, unspecified	ICD-10	G47.00
		Alpha-1-antitrypsin deficiency	ICD-10	E88.01
		Body mass index (BMI) 33.0-33.9, adult	ICD-10	Z68.33
		PROCEDURE		
		Influenza virus vaccine, quadrivalent (IIV4), split virus, preservative free, 0.5 mL dosage, for intramuscular use	CPT-4	90686
		Immunization administration (includes percutaneous, intradermal, subcutaneous, or intramuscular injections); 1 vaccine (single or combination vaccine/toxoid)	CPT-4	90471

PHILAMNEWERA

Prescription Data - Monthly Activity

Prescription Data - Monthly Hit Statistics

Year	Month	Queries	Rx Hits	Total Hits	Rx Hit Rate	Total Hit Rate
2021	January	1,299	988	1,177	76.1%	90.6%
	February	1,270	987	1,155	77.7%	90.9%
	March	1,524	1,174	1,364	77.0%	89.5%
	April	1,518	1,185	1,364	78.1%	89.9%
	May	1,225	963	1,122	78.6%	91.6%
	June	1,250	1,012	1,135	81.0%	90.8%
	July	1,057	842	967	79.7%	91.5%
	August	1,265	1,022	1,154	80.8%	91.2%
	September	1,299	1,047	1,181	80.6%	90.9%
	October	1,186	966	1,084	81.5%	91.4%
	November	1,596	1,301	1,462	81.5%	91.6%
	December	1,625	1,359	1,522	83.6%	93.7%
	Total	**16,114**	**12,846**	**14,687**	**79.7%**	**91.1%**
2022	January	1,463	1,207	1,351	82.5%	92.3%
	February	1,275	1,035	1,182	81.2%	92.7%
	March	1,950	1,696	1,842	87.0%	94.5%
	April	1,042	837	945	80.3%	90.7%
	May	1,050	862	971	82.1%	92.5%
	June	1,056	869	971	82.3%	92.0%
	July	960	806	882	84.0%	91.9%
	August	1,013	819	908	80.8%	89.6%
	September	917	744	823	81.1%	89.7%
	October	1,013	831	911	82.0%	89.9%
	November	1,234	1,048	1,134	84.9%	91.9%
	December	1,518	1,269	1,401	83.6%	92.3%
	Total	**14,491**	**12,023**	**13,321**	**83.0%**	**91.9%**
2023	January	1,027	826	936	80.4%	91.1%
	February	690	567	624	82.2%	90.4%
	March	866	713	799	82.3%	92.3%
	April	735	584	649	79.5%	88.3%
	May	789	653	729	82.8%	92.4%
	June	784	677	728	86.4%	92.9%
	July	769	643	707	83.6%	91.9%
	Total	**5,660**	**4,663**	**5,172**	**82.4%**	**91.4%**

Rx Hit Rate = Rx Hits / Queries

Total Hit Rate = Total Hits / Queries,   where Total Hits = Rx Hits + Elig Hits
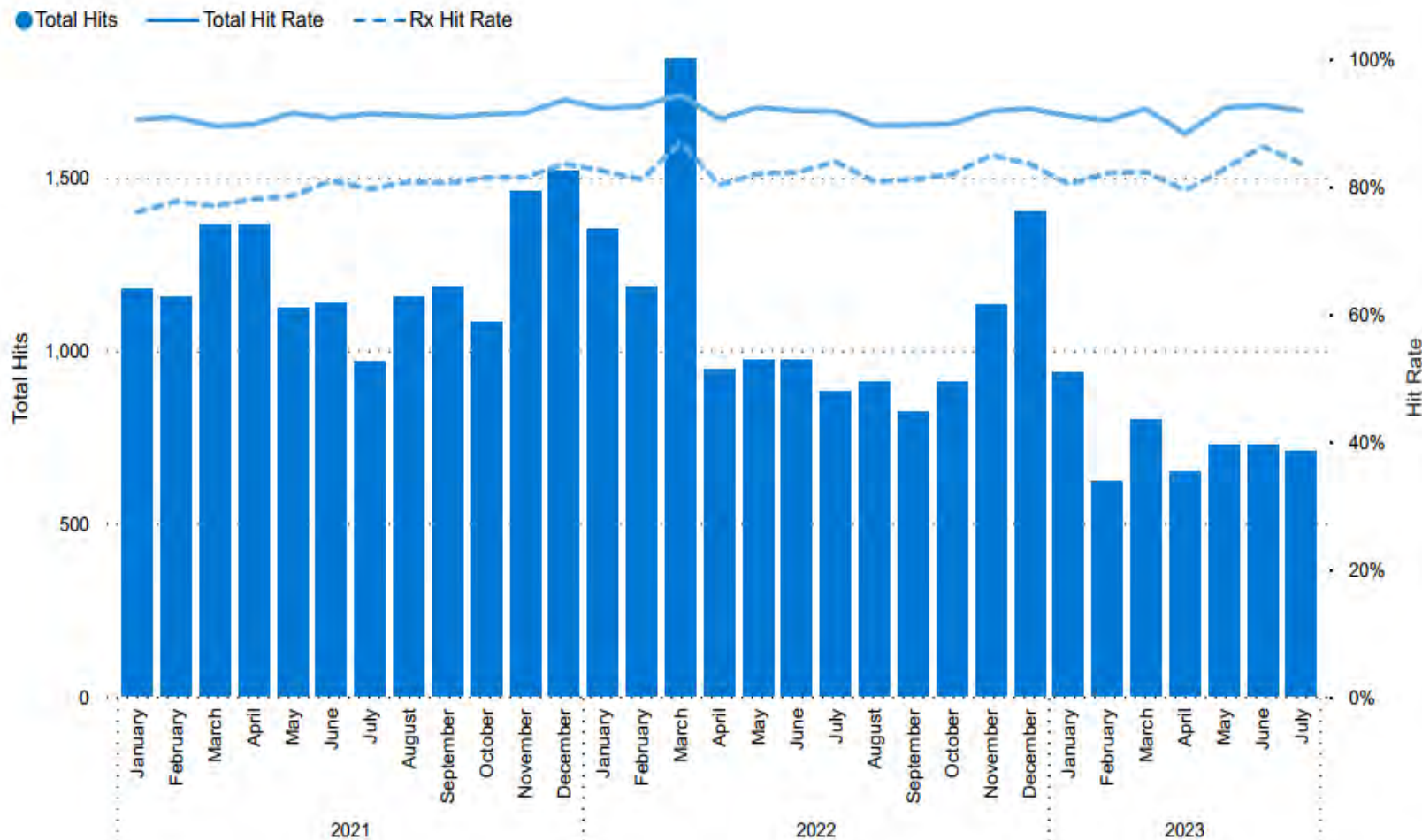
Medical Data - Monthly Activity
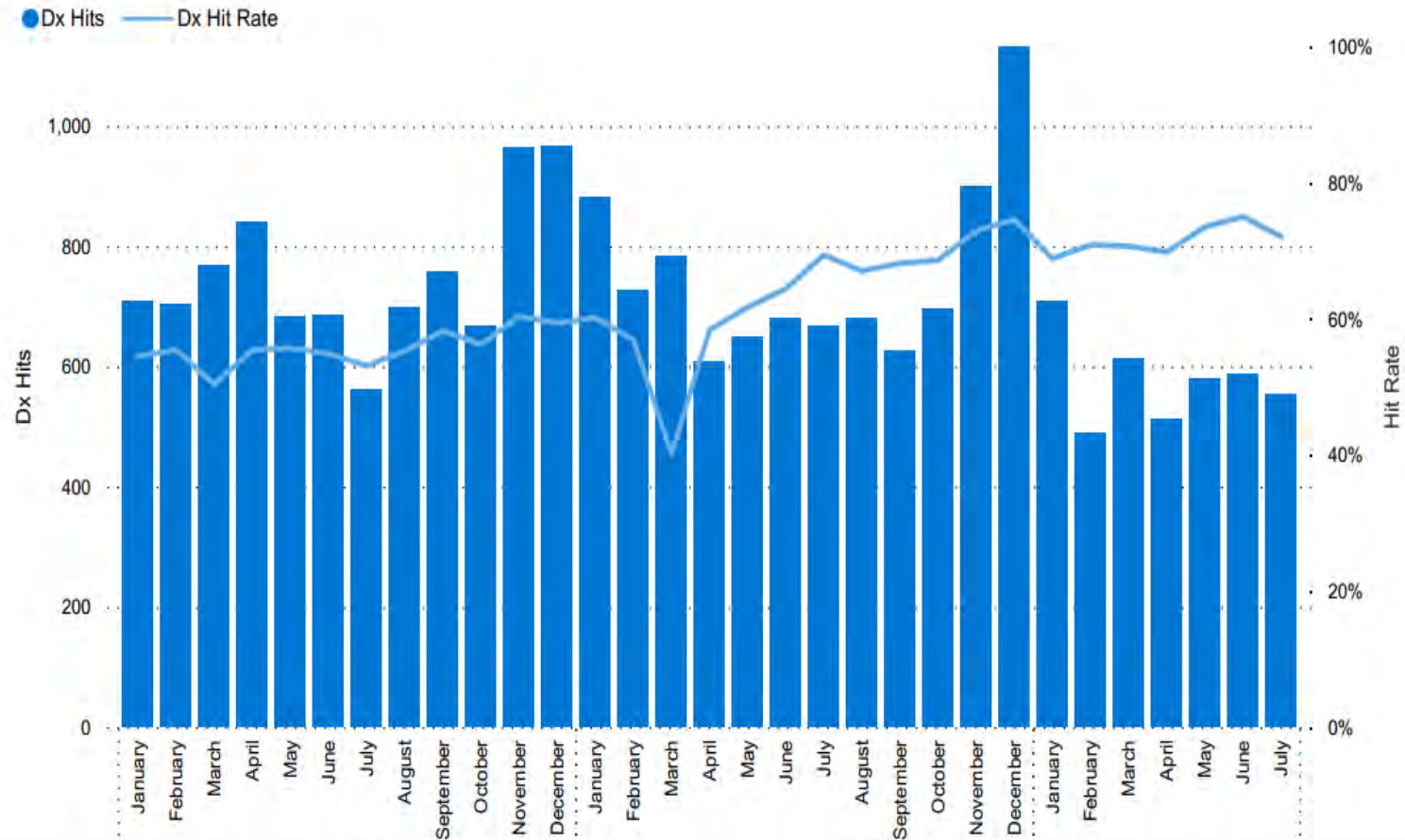
● Dx Hits   ——— Dx Hit Rate

Medical Data - Monthly Hit Statistics

Year	Month	Dx Queries	Rx-Dx Hits	Elig-Dx Hits	Dx-Only Hits	Dx Hit Rate
2021	January	1,299	629	57	22	54.5%
	February	1,270	649	41	14	55.4%
	March	1,524	702	48	18	50.4%
	April	1,518	783	43	15	55.4%
	May	1,225	628	37	17	55.7%
	June	1,250	636	36	14	54.9%
	July	1,057	505	44	12	53.1%
	August	1,265	657	29	13	55.3%
	September	1,299	706	40	10	58.2%
	October	1,186	625	32	10	56.2%
	November	1,596	894	55	14	60.3%
	December	1,625	907	47	11	59.4%
	Total	**16,114**	**8,321**	**509**	**170**	**55.9%**
2022	January	1,463	806	52	22	60.2%
	February	1,275	672	47	7	56.9%
	March	1,950	731	44	9	40.2%
	April	1,042	570	32	6	58.3%
	May	1,050	605	37	6	61.7%
	June	1,056	638	35	7	64.4%
	July	960	632	25	9	69.4%
	August	1,013	623	34	22	67.0%
	September	917	576	36	13	68.2%
	October	1,013	639	40	16	68.6%
	November	1,234	850	34	16	72.9%
	December	1,518	1,045	65	22	74.6%
	Total	**14,491**	**8,387**	**481**	**155**	**62.3%**
2023	January	1,027	640	54	13	68.8%
	February	690	451	24	14	70.9%
	March	866	565	38	9	70.7%
	April	735	466	32	15	69.8%
	May	789	523	45	12	73.5%
	June	784	551	28	9	75.0%
	July	769	510	33	11	72.0%
	Total	**5,660**	**3,706**	**254**	**83**	**71.4%**

Top 5 Counter Offers

1 — Tobacco Rates

2 — Rate-ups

3 — Critical Illness Rules

4 — Full Disclosure for Health Conditions

5 — DOB & Gender

TOBACCO RATES

Client was not honest about tobacco use or the agent forgot to check the box.

30% of clients are not honest about tobacco use!!!

RATE-UPS

These happen frequently!

Agents aren't using the Underwriting guide!

We need to be detailed when asking the questions including what medications the client is on or has used in the last year or so

Critical Illness Rules

You must select a critical illness amount that is LESS THAN the deductible on Specified Disease

Stand-alone Critical Illness cannot exceed 20K!

MOST AGENTS DON'T KNOW THIS!

Full Disclosure
for
Health Conditions

Even if a condition is "not a big deal" it still needs to be documented on the application, especially all medications!

DOB & Gender

Don't go too fast! Ensure the information entered on the application is accurate!

Philadelphia American (PAL)

Making Health Insurance Affordable and Available