

The Lincoln Leader

LIFE SOLUTIONS

April 20, 2020 – Vol. 18 Issue 10

Temporary Life Underwriting Guideline Updates

COVID-19 underwriting guideline changes effective April 13, 2020

Reprinted from the April 13, 2020 Lincoln Life Leader

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.

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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
- Note: There are no changes to Lincoln's auto-bind limit of \$60 million

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)

The rider will be declined for all applications for an ABR meeting the following criteria:

- 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.

Frequently Asked Questions

We know that you may have questions regarding these 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](#).

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

Insurance age will be used.

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.

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?

For internal retention cases, see question 4.

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

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?

If the case is not in a *QUOTE* status, the formal application will be subject to the temporary underwriting guidelines in place.

Yes. The written offer will be honored **as long as the formal application is received by Lincoln no later than April 24, 2020.**

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.

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.

If Lincoln approved a case prior to 4/13/20, and now the client wants a policy change, including an increase to 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.

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.

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.
Is Lincoln planning to expand Lab-Free consideration for higher face amounts?	<p>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 <i>LincXpress</i>® 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.</p>
Will Lincoln make an offer with a Flat Extra?	Yes. Lincoln will accept a Flat Extra up to \$5 per \$1,000.
Will Lincoln make an offer for a Table Rating with Flat Extra?	No. Any table rating with Flat Extra will be declined.
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?	<p>Lincoln will re-open the case for consideration.</p> <p>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.</p>
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> .
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.
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.
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.

Temporary Underwriting Updates – *previously announced*

Reprinted from the April 13, 2020 Lincoln Life Leader

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.

Underwriting Guidelines for Foreign Travel

The following updates 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 county 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

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.

Underwriting & New Business – Partnering with You

Reprinted from the April 13, 2020 Lincoln Life Leader

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
 - As vendors are making updates to their processes, we are committed to helping keep you informed here: [Vendor Service Impacts](#). The information included in this document is updated frequently and is subject to change at any time. You can also find a link to this information on our agent-approved landing page: www.LFG.com/GoDigital.

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	Obtaining Signatures & Requirements
<ul style="list-style-type: none">• Policy Submission Guide• Policy Delivery Guide• Self-Service Pending Case Status	<ul style="list-style-type: none">• Photo Image Acceptance• eNIGO• DocuSign eSignature

PLEASE NOTE: All digital/electronic options are subject to firm and/or state availability

NEW – Full Application to *LincXpress*® Tele-App

Available beginning April 13, 2020

Reprinted from the April 13, 2020 Lincoln Life Leader

With the continued spread of COVID-19, states are continuing to implement stay-at-home orders and other restrictions which may cause a delay in Lincoln receiving the necessary exam and lab results. Additionally, our vendors are seeing an increase in the number of applicants rescheduling or cancelling their exam appointments due to hesitancy of an examiner entering their home.

To help you continue to do business with Lincoln in the most efficient and effective manner and to help prevent delays due to exams and labs, for cases that meet Lincoln's Lab-Free criteria, agents can now easily switch a pending full application submission to a *LincXpress*® Tele-App ticket and be considered for the lab-free process.

What You Need to Know

A process switch to the *LincXpress*® Tele-App is only available for pending cases that meet the criteria for Lab-Free consideration, including:

- Client is between the ages of 18-60
- Face amount is \$1 million or less
- A decision for the Lab-Free process will be made during underwriting and is not guaranteed. If labs and vitals are required, Lincoln will order them
- If the original case was submitted for a face amount over \$1 million, the face amount **must be reduced to \$1 million or less to be considered for the Lab-Free process**
- Available for *Lincoln LifeElements*® Level Term and all UL, IUL, VUL, products (including survivorship)
- ***LincXpress*® Tele-App, including lab-free consideration, is not available in New York**
- For more details on the *LincXpress*® Tele-App or Lab-Free process, reference the following:
 - [LincXpress® Tele-App Agent Guide](#)
 - [Lab-Free Prequalification Guide](#)

Getting Started

Traditional Paper Application/eApp switch to a *LincXpress*® paper ticket.

- Agent submits a written or email request to the Lincoln New Business Associate (NBA) indicating a request to the switch to a *LincXpress*® paper ticket
- Once received, the NBA will withdraw the full application and generate a new policy number for the Tele-App case
- Case will be reviewed for any outstanding requirements. The client's phone number will be required for completion of the Tele-App interview
- After the case is deemed in-good-order, Lincoln sends an email to the client with a link to schedule their tele-app interview
- **Please note: The client will be required to complete a full Tele-App interview**

Traditional Paper Application/eApp switch to a *LincXpress*® eTicket

- Agent submits a written or email request to the Lincoln New Business Associate (NBA) indicating a request to the switch to a *LincXpress*® eTicket
- Once received, the NBA will withdraw the case submitted via a full application
- Agent will submit a new eTicket online
- **Please note: The client will be required to complete a full Tele-App interview**

Other Information

- If a Temporary Insurance Agreement (TIA) was submitted with the original application and is deemed in-good-order and is not expired, it will carry over to the new case.

- As a reminder, if the client has applied for a **Lincoln LifeElements®** Term, UL, IUL or VUL product, a product switch to **Lincoln TermAccel®** will not be allowed. *Lincoln TermAccel®* rates are based on a streamlined, fully-automated workflow and assume a cost savings benefit associated with that process. By switching products, that benefit is lost. Therefore, Lincoln will not allow a product switch within 12 months of applying for a traditional product, including *Lincoln LifeElements®* Level Term.
- For more information on Lincoln's policy submission options, view the [Lincoln Policy Submission Guide](#).

Please contact your dedicated Lincoln Underwriting and New Business team with any questions.

Lincoln Support for Policy Owners Impacted by COVID-19

Reprinted from the April 06, 2020 Lincoln Life Leader

We remain focused on helping our policy owners during these challenging and unprecedented times. Lincoln holds firm its commitment to be there for our customers when they need us most. As a result, we will temporarily adjust several of our business processes for individual life insurance policyholders impacted by COVID-19, including:

Premium Payments

- Upon request, any policyholder with COVID19-related hardships will be offered a 60-day grace period extension.
- Automatic bank-drafts will continue as usual but may be discontinued upon customer request
- Adjustments to premium mode will be made upon request
- We offer several ways to make payment, including electronic fund transfer, home banking, wire transfer, check and payment by phone in select cases

Loans and Withdrawals

- Loans and withdrawals will be expedited upon request

Claims

- We will continue to ensure expeditious review of claims, exploring all possible methods for approval
- We will review beneficiaries' individual circumstances before considering funds unclaimed

Please note, any adjustments are on a case-by-case basis and will comply with any formal direction provided to Lincoln by the varying state Insurance Departments.

Customers should contact Lincoln Financial Group with any questions or to request any of the above-mentioned adjustments. We are available to assist at (800) 487-1485, Monday – Friday, 8 a.m. to 6 p.m. ET.

Remember, Lincoln offers many digital ways to do business with us. Customers and Financial Professionals can view information online and complete select service requests, such as address changes and fund transfers, at LincolnFinancial.com, 24/7. We also offer an online option for claim notification and e-Signature for claimant statements. To register, please visit: LincolnFinancial.com and select **Log In/Register** in the upper right-hand corner.

We'll continue to provide up-to-date information on the actions we are taking so you can confidently communicate with policy owners during this rapidly evolving situation. Please visit <https://www.lfg.com/public/COVID-19/Life> or <https://lincoln-financial.lfd.com/GoDigital> for current FAQs.

Access the Latest News and Updates: COVID-19 Operations Impact for Lincoln Life and MoneyGuard®

We are continuously monitoring the spread of the coronavirus (COVID-19) and remain committed to keeping you informed of any new updates, changes, and providing you with resources to help you navigate this rapidly changing environment.

For **up-to-date information** from Lincoln Life Operations, including Underwriting and New Business and Customer Service, please visit our Landing page: [LFG.com/GoDigital](https://www.lfg.com/GoDigital). Here, you will find:

- Latest News
- Life Operations FAQs ***UPDATED April 17, 2020***
- **NEW** Temporary Underwriting Updates
- Policy Submission & Delivery Guides, Vendor Service Impacts, and more!

The image shows a screenshot of the Lincoln Financial Group website. On the left, there's a section titled "Work from Home with Lincoln" with a sub-header "TIMELY RESOURCES". Below this, there's a list of resources: "Latest News", "Building Confidence in Times of Crisis", "Building Trust with Clients", and "Lincoln's Strength and Stability Filer". A red arrow points to the "Latest News" link. To the right, there's a "BUSINESS" section with links for "Fully Automated Process", "Application", "Tools", "FAQ", and "Underwriting, SVP Underwriting & New Business". Below this, there's a "DOCAST E-POLICY DELIVERY" section with links for "Distributor Experience", "Agent Experience", and "Client Experience". Further down, there's a "LIFE INSURANCE E-CAPABILITIES" section with links for "Overview", "Spectra Quick Quote FAQ", "Lincoln's eSignature Guide", "eTicket Agent Training", "eApp Agent Overview & FAQ", and "eApp Agent Overview". At the bottom, there's a "LINCOLN MONEYGUARD SOLUTIONS E-CAPABILITIES" section with links for "Overview", "eApp Agent Overview", "eApp Process Filer", "eApp Process Video Training", and "eDelivery Agent Overview & FAQ".

On the right, there's a landing page titled "Life Operations COVID-19 Impacts" with a sub-header "Frequently Asked Questions - updated effective April 3, 2020". The page contains a table with "Question" and "Answer" columns. The first question is "How is Lincoln's Life Underwriting & New Business team operating in the current environment?". The answer states that the team is operating with a focus on protecting the health and safety of employees, including the underwriting and New Business team, and is providing support to policyholders and agents. The second question is "Is Lincoln able to continue working at full capacity with working from home?". The answer states that the team is operating with a focus on protecting the health and safety of employees, including the underwriting and New Business team, and is providing support to policyholders and agents.

State Approvals

Updates since April 13, 2020

No Updates

[View State Availability Grids](#)

Products and features are subject to availability and may vary by state.

Contractual obligations and Guarantees are subject to the claims-paying ability of the issuing company:

- The Lincoln National Life Insurance Company of Fort Wayne, IN; or
- Lincoln Life & Annuity Company of New York of Syracuse, NY.

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The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.

Variable insurance products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

Only registered representatives can sell variable products.

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