Individual insurance process updates

Changes to the individual life insurance ASTRA program

This change impacts a very small number of potential individual life insurance clients who are assessed as high risk or who we deem uninsurable.

Effective Jan. 21, 2013, the automatic substandard table rating agreement (ASTRA) program will not be applied to substandard individual life insurance cases where the reinsurer is retaining 100 per cent of the risk. These cases occur when:

- Through our underwriting process a substandard rating has been applied, the case is facultatively shopped to reinsurers, and a reinsurer comes back with a more favourable substandard rating, or
- Through our underwriting process the policyholder has been deemed uninsurable, in an effort to provide an offer of insurance the case is facultatively shopped to reinsurers, and a reinsurer comes back with a substandard rating.

If an application is already in the process of being facultatively shopped with a reinsurer as of the effective date of Jan. 21, 2013, it will be grandfathered and the ASTRA program may apply, subject to availability.

Should a request be made that a case be facultatively shopped in an attempt to obtain a more favourable offer, the underwriter will inform the advisor that the ASTRA program may not be available to certain clients.

We will honour the availability of the ASTRA program on term life insurance conversions to universal and participating life insurance for term policies issued on or before Jan. 21, 2013. For policies issued after Jan. 21, 2013, the ASTRA program will not be available upon conversion of the term policy if the term policy was 100 per cent reinsured.

Please speak with your underwriter about case-specific questions.

Updated application form for living benefits policies now available

As a result of legislative and procedural changes, we've updated our living benefits policy application form. [The Application for critical illness insurance and disability insurance] (form F541/F541f) includes the following changes:

- Inside cover – beneficiary designation/direction to pay wording added
- Page 25, Section 26.1 – Dual Solutions line removed and Premier Value for critical illness insurance changed to “n/a”

The revised form (dated 12/12) is now available on RepNet. Previous forms (dated 11/11) will be accepted until March 2013.