

PLANRight

New Business & Underwriting Guidelines

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It is the responsibility of the Underwriting Department to properly evaluate all applicants for insurance coverage. This requires sound, underwriting practices consistent with Foresters philosophy for the selection of risks. In order to provide the best possible service, Foresters Underwriting Team must also rely on the producer to develop complete and accurate information at point of sale.

This manual is a guide intended to help the producer understand the probable underwriting action for commonly encountered medical histories. Naturally, the final action on an application is the decision of the Underwriter, based upon the varying circumstances that each particular case may present. It is important to recognize that the underwriting guide is meant as a basis for decision-making, and that other factors, including Foresters Underwriter's judgment, may affect the final decision. This document was prepared for the exclusive use of appointed producers. It is not intended for public distribution, nor is it to be used in any solicitation or marketing of Foresters products.

Medication Watch List

The following list of drugs is here to assist you in prescreening your clients. It is not meant to be an exhaustive list.

If your client is on one or more of the following medications, they will not be eligible for any PlanRight certificate.

Retrovir
Viread
Atripla
Cellcept
Prograf
Gengraf
Aricept
Cognex
Exelon
Namenda
Reminyl
Rilutek

The client may be eligible for PlanRight with a Modified Death Benefit even if taking the following medications:

Antabuse
Digoxin
Lanoxin
Accupril
Nitrates – Nitro-Dur, Nitrostat
Furosemide
Lasix
Warfarin
Coumadin
Zestril

The client may be eligible for PlanRight with a Graded Death Benefit even if taking the following medications:

Dopamine
Riboviran
Levodopa

The Point of Sale Process for PlanRight

Please note the following:

- **Foresters is not underwriting height and weight, at present, so there are no build charts for you to reference. Even though build is not taken into account in the underwriting, we ask that you complete the application section.**
- *There is no pre-application risk assessment for this product.*

After the client has answered all the personal and medical questions and signed the application that includes the authorization, call Apptical at 866 844 9276 to initiate a Personal Health Interview (PHI).*

Apptical hours of operation are 8:30am to midnight ET, Monday to Friday and 10:00am to 4:00pm on Saturday.

After confirming the client's basic personal information with you, the Apptical interviewer will request that you to put the client on the line and will proceed to ask the proposed insured the personal and medical questions. At the same time, reports from the Medical Information Bureau and prescription records will be requested.

At the end of the interview the client will be instructed to hand the phone back to you.

The interviewer will give you the results of the underwriting data collected.

The following are examples of the results you will get from the interviewer:

1. "The proposed insured is eligible to apply for the level death benefit, without further underwriting requirements."
2. If there is a discrepancy found due to a prescription history, the interviewer will inform you:
"The proposed insured is eligible to apply for (either) the graded death benefit or the modified death benefit, without further underwriting requirements, due to the prescription history.

For example, the interviewer may tell you:

"The proposed insured is eligible to apply for the graded death benefit due to a prescription history report. The report shows a prescription for Levodopa within the past 2 years. A common indication for this medication is Parkinson's disease, an impairment that corresponds to the graded benefit. "

3. If there is a discrepancy found due to an MIB report, the interviewer will inform you that information was received from the Medical Information Bureau on a person with a name and birth date similar to your client and request that you re-ask a particular question.

If the client then changes their answer (to "yes"), inform the interviewer who will tell you the plan the client is eligible to apply for (graded death benefit, modified death benefit or no coverage, depending upon the question).

If the client does not change their answer, the interviewer will inform you:

"There will be further underwriting required to determine the eligibility of the proposed insured. Please write 'UNDERWRITING REQUIRED' in the remarks section of the producer report and submit the application.
DO NOT COLLECT MONEY."

4. If the prescription history pertains to any of the questions in Part A of the medical questions, the interviewer will inform you:
"There will be further underwriting required to determine the eligibility of the proposed insured. Please write 'UNDERWRITING REQUIRED' in the remarks section of the producer report and submit the application.
DO NOT COLLECT MONEY."

- **Please refer to the detailed Instructions Checklist**
- **All applications must be submitted once the PHI has been initiated, whether or not the client either qualifies or wishes to proceed.**
- **All changes made on the application must be initialed by the proposed insured (and owner if other than the proposed insured and a new signature page (page 4) must be completed before the application is submitted.**

Important New Business Information:

Beneficiary Designation – If Primary or Contingent beneficiaries are named, the relationship to the proposed insured must be listed. In all cases, a beneficiary must have an insurable interest in the life of the insured.

Note: A Funeral Home or Funeral Director are restricted and cannot be named as beneficiary.

Non-English speaking applicants – When an applicant or potential owner is not fluent in English, either you, as the producer, or a third party will need to serve as a translator. You or the third party will need to certify on the Producer Report that you are fluent in the applicant's and/or owner's language, and that the application, accompanying forms, and product information have been explained to the applicant and/or owner. You should emphasize to your client that all communications with the Home Office regarding these certificates will be in English, and it will be the certificate holder's responsibility to obtain translation assistance when requesting service for his or her certificate.

Proposed Insured Signature – Only the Proposed Insured may sign on the "Proposed Insured" signature line. No one else may sign the Proposed Insured's name. A Power of Attorney (POA) signature is acceptable, however, details regarding the reason for the POA and a copy of the POA must be included. Any POA issued for medical reasons also requires medical records.

Certificate Owner Signature – Only the owner may sign on the owner line. The Certificate owner's signature is required in addition to the Proposed Insured's signature, if the owner is other than the Proposed Insured.

Replacements – An application submitted without the proper form(s), where replacement is involved, will be returned unprocessed.

Stale-dated Application – Applications must be received in the home office within 30 days of the date the application was signed by the proposed insured. Once received, the application is valid for 60 days from the date signed.

Important Dates:

Application Date – Applications must be dated the day the application is completed and signed by the proposed insured and the personal health interview (PHI) is completed, not the day it is sent to the Home Office, or the date the insurance is to become effective. Application signature backdating is not permitted.

Certificate Effective Date – The certificate will become effective as of the issue date. An issue date can be requested of no more than 30 days from the application date. The issue date must be within the 1st to the 28th of the month. Certificate effective date backdating is allowed as long as the backdating isn't to qualify for a specific plan or coverage.

Bank Draft Date – If a specific draft date is requested on the application that date determines the issue date of the certificate. Thereafter the premiums will be drafted on the same day of each month to coincide with the certificate issue date. Print the specific day of the month in Section 7 of the application. If drafting from a checking account please include a VOID check. If drafting from a savings account, please indicate account number, bank routing number and phone number under the bank name and address in Section 7.

Premium Guidelines:

Premium Rates – Rates vary by gender and Tobacco use. Non-Tobacco use is defined as no cigarettes or any other form of tobacco for the last 12 months.

Initial Premium – The initial premium may be paid by Foresters drafting from the payer's bank account under a pre-authorized check plan (PAC) once a certificate is issued if Section 7 authorizes it. Alternately, the initial premium may be submitted with the application. Only an applicant's check or a cashier's check, payable to Foresters, will be accepted. Cash, post-dated checks, or a producer's check are not acceptable and will be returned to the producer unprocessed. The only instance where we will accept a producer's check is if the proposed insured is the producer or a member of the producer's family.

Multiple Applications/Family Members – If one PAC draft is to be made from the same account for multiple applications, a cover letter with instructions regarding the PAC draft should be submitted with the applications. Instructions in the "Remarks" section of the producer report are also acceptable. The PAC authorization must be signed on all applications.

General Information:

Cancellation and Refund Requests – All requests for cancellation must be in writing; telephone requests are not acceptable. Notification acknowledging the request will be sent to the certificate owner and producer stating the refund will be processed within 10 days from the date the cancellation request was received at Foresters.

Multiple Certificates – More than one application can be written for an insured and the total face amount can range from \$2,000 to \$35,000 (depending on plan and age) provided details regarding the need for more than one certificate are given. Total coverage of all certificates cannot exceed the maximum amount of coverage allowed for this plan. A new certificate will not be allowed if the initial certificate was issued within the last 60 days and it has lapsed. In this situation, the original certificate must be reinstated. All reinstatements require a new application and a new personal health interview to be completed. Other requirements may apply to fully reinstate the certificate.

Certificate Delivery – Certificates will be mailed directly to the owner unless producer delivery is requested or required.

Commission Information:

Producer Split – Split commissions between producers are acceptable. To request producer split, write the percentage of the commission payable to each producer next to the producer's name on the Producer Report.

Cut-Off Date – Cut-off is Wednesday each week, with EFT deposit processing on Friday.