

# UNDERWRITING ADVOCACY CUTS PREMIUM OUTLAY IN HALF ON SENIOR COUPLE'S \$12M POLICIES

RESULTS ACHIEVED BY LEVERAGING LONG-TERM CARRIER RELATIONSHIPS & SECOND OPINION FROM IN-HOUSE MEDICAL DIRECTOR



## SITUATION

John Howell<sup>1</sup>, age 61, is a retired owner of manufacturing company. He and his wife, Jeanine, also 61, owned three life insurance policies totaling \$12M with a premium outlay of over \$100,000.

- Two policies on John's life totaled \$2M with a premium outlay of \$32,000.
- A \$10M survivorship policy had a \$77,000 premium outlay.



## THE CHALLENGE

The couple's CPA thought the Howells were potentially overpaying premiums and encouraged them to get a second opinion through a Valmark Advisor.



## RESCUE

Valmark's product specialists reviewed the policies and determined the Howells could reduce their premiums as long as both insureds received standard or better underwriting offers.

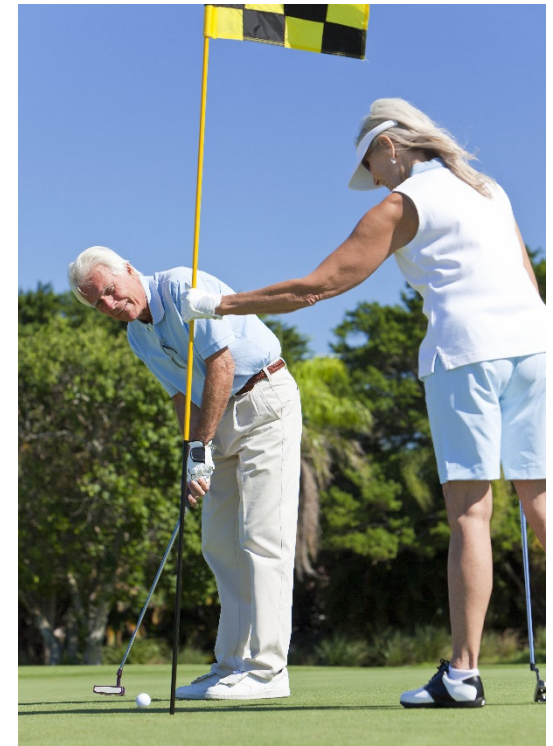
**JOHN'S 2 POLICIES:** Using only a recent executive physical as evidence, we helped John maintain the same \$2M death benefit with no further premium outlay by facilitating a 1035 exchange to a new carrier.

### SUVIVORSHIP POLICY:

**Better pricing available but a surprise medical condition emerged.** The team determined they could save the Howells \$29,000 in premium if they could obtain better underwriting rates through a 1035 exchange to a new carrier. However, medical records showed a kidney impairment on Jeanine which resulted in an initial offer of Table D, which was uneconomical.

**Second medical opinion results in better offers.** Jeanine, who had not undergone an insurance exam up to this point, was examined via our proprietary large case process. After the labs came back, our in-house Medical Director submitted a written second opinion and we sent a quick quote to the marketplace. We received several more favorable offers and used those as leverage with the initial carrier.

**Long-standing carrier relationship plus second opinion result in best possible pricing.** The initial carrier re-examined the entire file and agreed to a technical assessment of Table B. Leveraging our long-term relationship with the carrier, we asked for and received a business exception to Standard. Ultimately, the Howells received and accepted an offer with the one carrier that had the product and underwriting offers that fit the team's initial premium-saving scenario.



## TAKE AWAY

POLICY	INITIAL PREMIUM / YR.	NEW PREMIUM / YR.
John's 2 Policies	\$32,000	\$0
Survivorship Policy	\$77,000	\$48,000
<b>Total</b>	<b>\$109,000</b>	<b>\$48,000</b>

This savings would likely result in over \$1M in premium savings over the Howells' lifetimes with no change in death benefit.