

VACCINATION STATUS IN LIFE UNDERWRITING

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There has been a great deal of speculation recently about how life insurance applicants' COVID-19 vaccination status impacts their insurability.

Specifically: do insurers consider vaccination status when underwriting individual life business?

After reading two articles quoting five college economics professors that said the unvaccinated either already do or soon will pay more for coverage, I decided to settle the matter definitively by asking chief underwriting officers (CUOs).

From my roster of 120-some American CUOs I chose 24 that I knew would have informed opinions and respond on a priority basis. I sent them an email asking one question: does your company currently take an applicant's COVID-19 vaccination status into consideration when determining insurability? I also invited them to comment on any aspect of this subject.

They had my word that their identity (name and company name) would be forever confidential.

I got 21 responses in 10 working days.

Does your company use vaccination status when determining insurability for individual life insurance?

Yes	0
No	20
Other	1

The CUO who responded with "other" made this statement:

"I do not think we should take adverse action on applicants based solely on vaccination status. The risk should be assessed holistically taking all pertinent factors into account. I do think taking an applicant's vaccination status into account when they have existing impairments which may complicate the course of a COVID illness is the appropriate thing to do."

Bottom line: vaccination status is not being used in individual life underwriting by American insurers at this time.

What reasons were cited by respondents for not using vaccination in underwriting?

- * I don't think we know enough about the vaccines for COVID to make appropriate risk decisions.
- * Information about vaccines is constantly evolving - including duration of effectiveness.
- * Doing this would be a political gesture rather than something based on solid mortality experience.
- * We should not try to impact societal behavior.
- * We do not ask about any other vaccination status.
- * We do not want to provoke the Texas, Florida, Colorado and New York insurance departments.
- * We do not want to be maligned on social media as a company that discriminates against decisions made on the basis of religious faith.

Additional relevant comments from responders

- * I believe there is enough medical evidence supporting non-vaccinated are at increased risk of death¹.
- * Early scientific data does indicate better mortality outcomes in vaccinated populations¹.

- * I would like to take adverse action on the un-vaccinated...but with the current political environment the industry is restricted as to what questions we can ask and what risk assessment we can make.
- * I'm not getting any reinsurance pressure to deviate from our position.
- * This process can only lead to bad results for underwriting!
- * It feels that this is a temporary situation that will resolve when COVID-19 becomes endemic, then we work with the actuaries to determine appropriate mortality.
- * If the vaccine wears off in the short-term and more frequent boosters are required, where does that end? And what effect is it having on our natural immune system? Is that being beat down such that people will be prone to other diseases?

End Notes

¹ These statements about nonvaccinated vs. vaccinated mortality reflect what is reported in the mainstream literature.

The following are publicly disclosed official death rate data from Scotland:

According to the Public Health Scotland COVID-19 Statistical Report covering December 21 to January 14, the highest risk age-standardized death-rates for fully vaccinated and unvaccinated individuals were 14.05 and 10.40 respectively. The weekly averages were 10.0 in vaccinated subjects vs. just 6.2 in those who were unvaccinated.

Questions and comments are welcome. My email address is hank@hankgeorge.com and my phone number is 1-414-423-0967. I am in my office from 4 am to noon Central Time, 7 days a week