



The Baltimore Life  
COMPANIES

## NEW & IMPROVED SILVER GUARD<sup>®</sup> UNDERWRITING RULES ANNOUNCED

Administrative Memorandum 06-04 • Effective April 17, 2006

In a continuing effort to simplify the field underwriting process for Silver Guard<sup>®</sup> business, our underwriting department will immediately adopt an approach that recognizes differing levels of “treatment” in the underwriting of Silver Guard<sup>®</sup> I, II and III applications. Until a new application is available, this memorandum will provide you and the proposed insured the necessary guidance on how the changes below apply to the current application (7430), so you can qualify your client for the appropriate Silver Guard<sup>®</sup> product.

The concepts of *maintenance treatment* and *current treatment* are critical in understanding the appropriate answers to our medical questions.

- *Maintenance treatment* applies to medical conditions that have occurred more than two years prior to the date of application and includes follow-up office visits and ongoing medications, as outlined in the chart below.
- *Current treatment* applies to any medical condition(s) that has occurred within two years prior to the date of application (includes any symptoms, diagnosis, *new* treatment or hospitalization). However, it is important to remember that certain conditions can never be considered *maintenance*; they must always be considered *current*. Congestive heart failure, cancer, angina (chest pain), Alzheimer’s/Dementia, and chronic renal insufficiency/failure are major examples of such conditions. People currently taking medication or otherwise being treated for these conditions should NEVER answer the Part 2 health question that relates to their individual condition “No”, even if the condition was first diagnosed more than two years ago. The appropriate answer to the medical question for these conditions is “Yes.”

To assist you in classifying whether a condition is a current or maintenance situation, we need to start with the application. For example, the lead-in question for Part 2 of the application for insurance states, “*To the best of your knowledge and belief, have you, the proposed insured, within the last two years, had, been treated for (includes office visits or surgery), or are you taking any medication or have you taken medication for any of the following:*” A series of health questions follows.

Prior to asking these questions it is important that the proposed insured understand the context in which these questions are being asked. Specifically, the proposed insured needs to answer these questions based upon their assessment of the condition(s) as being a current or maintenance situation. The guidelines below can assist in making this determination.

**The Baltimore Life Insurance Company**

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<b>Requirements</b>	<b>Maintenance Treatment</b>	<b>Current Treatment</b>
Onset date of any condition(s) listed in Part 2 of the Application for Insurance	Beyond 2 Years	Within last 2 Years
Treatment for Conditions	<ul style="list-style-type: none"> <li>▪ No Symptoms</li> <li>▪ No Additional Diagnosis</li> <li>▪ No New Side Effects</li> <li>▪ No New Treatments</li> <li>▪ No New Medications</li> <li>▪ No Reoccurrences</li> </ul>	<ul style="list-style-type: none"> <li>▪ Any Symptoms</li> <li>▪ Any Diagnosis</li> <li>▪ Any New Side Effects</li> <li>▪ Any New Treatments</li> <li>▪ Any New Medications</li> <li>▪ Reoccurrence of a previously diagnosed condition</li> </ul>
Treatment Examples	<ul style="list-style-type: none"> <li>▪ Routine Office Visits</li> <li>▪ Follow –Up Appointments</li> <li>▪ Medications used to control / maintain condition</li> <li>▪ Daily aspirin for heart</li> <li>▪ Statin drugs for cholesterol</li> </ul>	<ul style="list-style-type: none"> <li>▪ Surgery</li> <li>▪ Oxygen Use</li> <li>▪ Dialysis</li> <li>▪ Radiation, Chemotherapy</li> <li>▪ Home Health Care</li> <li>▪ New Medications</li> <li>▪ Medication Changes<sup>0</sup></li> <li>▪ Hospitalization</li> </ul>
Answer Part 2 Health Question(s)	<b>“NO”</b>	<b>“YES”</b>

### OTHER CLARIFICATIONS / EXCEPTIONS

<b>Condition</b>	<b>ANSWER “NO”</b>	<b>ANSWER “YES”</b>
High Blood Pressure & Diabetes	The Proposed Insured can answer the Part 2 health question “No” if they are taking medication and the condition is <i>controlled</i> , even if the condition appeared within the last two years.	The Proposed Insured should answer the Part 2 health question “Yes” if the condition remains unstable despite receiving any treatment including medication.
New Medications within Last 2 years	Not considered a new medication if changing brands.	Considered a new medication if: <ul style="list-style-type: none"> <li>▪ Prescribed to treat a new condition or symptom</li> <li>▪ Treat an existing condition where the original medication or dosage was no longer effective.</li> </ul>

## SAMPLE CASES

Condition	Client	Treatment Last 2 yrs	Application	Outcome
Heart Attack / 4 yrs ago	Male age 65	<ul style="list-style-type: none"> <li>▪ Cardiologist visit every 6 months</li> <li>▪ Medications: Lipitor (cholesterol) and Lisinopril (high blood pressure)</li> <li>▪ Proposed Insured states they are fully recovered</li> </ul>	All health questions answered “No” since there are <i>no</i> : <ul style="list-style-type: none"> <li>▪ Symptoms</li> <li>▪ New Treatment</li> <li>▪ New Conditions</li> <li>▪ New Medications</li> </ul> Within last 2 years.	Silver Guard® I issued
Condition	Client	Treatment Last 2 yrs	Application	Outcome
Congestive Heart Failure/ 3 years ago	Female age 72	<ul style="list-style-type: none"> <li>▪ Cardiology follow up every 6 months</li> <li>▪ Taking Lasix to treat CHF</li> </ul>	Part 2, Question #1 is answered “Yes” due to current treatment for CHF. Remainder of health questions answered “no”.	Silver Guard® II issued.

To ensure that your client applying for Silver Guard® is aware of this interpretation of the Part 2 medical questions, we will be adding a new opening statement during the telephone inspection interview and during the INSpeed® enrollment process. This statement will be read to your client prior to the existing set up statement and the Part 2 questions:

**“Prior to asking you the next series of health questions, I would like you to understand that if you have been told or have had a medical diagnosis, treatment, symptom(s) or hospitalization within the last 2 years related to the questions being asked, you should answer YES to the questions in this section of the application.”**

If you have any questions about these changes or need further clarification on our underwriting procedures please contact any of the following underwriters at 1-800-628-5433:

- Laurie Berryman extension 4369
- Mike Muller extension 4374
- Mary Beth Robinson extension 3111

Or E-mail [underwriting@baltlife.com](mailto:underwriting@baltlife.com).

Whether you take a paper application or conduct an INSpeed® enrollment interview, our call center representatives will be there to assist you and your clients regarding any questions that arise during the application process.

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