

DATE: November 22, 2017 **N° 2017-29**
CATEGORY: **INSURANCE**
TO: Managing General Agents, Associate General Agents, Advisors, General Agents and National Accounts
SUBJECT: **Announcing New PAD-on-approval payment option– the latest enhancement to the Fast & Full Life Insurance Application Process**

How has the Fast & Full process changed?

Effective November 22, 2017, Empire Life now offers the ability to pay the first premium using pre-authorized debit (PAD) as part of the Fast & Full Life Insurance Application Process. Previously, PAD was only available for future premium payments, but with our latest update, PAD will be available as an option for paying the initial premium for many scenarios. PAD payment for initial premium will be taken from the account at the time of policy issue if the application is approved.

Changes to Health Questionnaire selection process

The "Health Questionnaire" selection step of the Fast & Full process will now have just two options:

1. "Start eHQ" (Electronic Health Questionnaire)
2. "Schedule PHI" (Personal History Interview)

- The choice to apply for temporary insurance if PHI is selected now appears later in the process.

New "Schedule PHI" process

- If "Schedule PHI" is selected, the life insured(s) contact information for scheduling PHI will be provided and applicants will be asked if they want to apply for Temporary Insurance. Payment options will depend on their answer:
 - If yes is selected, the temporary insurance application is completed and if temporary insurance is available, the initial premium must be paid online immediately using a Credit Card, Interac or PayPal
 - If no is selected, the applicant can choose to pay the initial premium online using a Credit Card, Interac or PayPal or defer payment until the policy is issued (if application is approved) using PAD

New "Start eHQ" process

- If "Start eHQ" is selected, the Temporary Insurance questions are included in the eHQ question set. After eHQ is completed, applicants will be told the decision, including if temporary insurance is available. If available, owners will be asked if they want temporary insurance coverage. Payment options will depend on their answer. Possible eHQ decisions now include:
 - Auto-approval
 - The first premium must be paid online as part of the application process using a Credit Card, Interac or PayPal.
 - Refer to underwriting (RUW) with Temporary Insurance available.
 - Owners will be asked if they want temporary insurance coverage. If they choose "Yes", the first premium must be paid online as part of the application process using a Credit card, Interac or PayPal.
 - RUW with no temporary insurance available

Other Details

- The PAD form that was previously located in the DocuSign package as part of the eSignature process has been moved to the Payment step of the Fast & Full application process.
- For future monthly premium payments, the payor is given 2 options for the "Automatic Withdrawal Day"
 1. Select a day of the month (1-28)
 2. Select the day the policy is issued.

- The same rules for paying the initial premium by PAD apply whether monthly or annual frequency is selected for premium payments.
- The person identified to pay the first premium will also be the person shown as the payor of future premium payments. The payor for future premiums can be changed at a later date.
- Online payments by Credit Card, Interac or PayPal must be made by the identified payor
- Temporary insurance is now available if a coverage being applied for is intended to replace a non-Empire coverage. If temporary insurance coverage is not available or not selected, owner will now have the option to Pay-Now or Pay-at-Issue.
- Due to these changes, incomplete applications as of Midnight on November, 21, 2017 have been deleted.

Launch Date

November 22, 2017

Reference

Jan Hayes, Process Improvement Manager