

Life Cycle of a Disability Income (DI) Insurance Application

Reference Sheet

This document provides a high-level overview of the life cycle of a Disability Income (DI) Insurance application.

Your Role

As the advisor your role is to set expectations with clients on the application process, help them to complete the application, and act as conduit between MassMutual and the client throughout the application process.

Assuming a need for Disability Income Insurance has been identified, you must first determine whether the client is eligible for coverage then conduct fact finding to help determine their potential income gap before initiating an application. The [DI Product Target Markets](#) flyer provides guidelines on which characteristics are favorable and unfavorable for MassMutual DI Insurance.

Field Underwriting

During fact finding, advisors conduct thorough field underwriting to collect the detailed information required for the underwriter to accurately underwrite the application. An important aspect of DI insurance is that field underwriting helps identify prospects' actual financial needs by determining whether they already have DI insurance coverage in-force and whether there are gaps in financial coverage. Effective field underwriting ensures you complete the application so you present a complete picture of the proposed insured to the underwriter.

Consult the [Field Underwriting for DI Prescreen Checklist](#).

Complete the Application

Brief the client on the application life cycle, personal nature of application questions, and answer any of the prospect's questions.

- Complete the application using EZ-app; MassMutual's electronic application system.

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- As you complete the application you will collect and provide as much detail as possible in order for underwriting to accurately assess and balance the risk selection based on characteristics presented.
- The more information you provide means that underwriting is less likely to have to request more details from the proposed insured after the application has been submitted.
- If the client is eligible for a Temporary Individual Disability Insurance Agreement (TIDIA), collect the initial premium. The TIDIA provides limited temporary disability income coverage for eligible proposed insureds during the underwriting process and until the new policy takes effect.

Submit the Application

Upon completion of the application have the client sign the application via EZ-app's eSignature process.

- An eSignature can be obtained face-to-face via tablet or laptop, or via email.
- Once all required signatures are collected, EZ-app will electronically submit the application to the home office for review and underwriting
- If the client prefers to wet sign, the advisor will need to coordinate with their firm's New Business Coordinator (NBC) to submit the application to the home office.

Home Office Review and Underwriting Process

Once the home office receives the new business case a case manager and an underwriter are assigned. MassMutual creates its products independently of each other and each has its own unique characteristics, pricing, underwriting standards, and guidelines.

Underwriting Process

DI is concerned with morbidity; the frequency and duration of disability due to medical conditions.

An individual's age, occupation, income, lifestyle, and health are major factors that are considered during the DI underwriting process; and many individuals who might qualify for a life insurance policy with MassMutual may not qualify for a DI policy due to one or more of those factors.

When underwriting receives a DI application, the occupation is reviewed for eligibility. Once the proposed insured meets eligibility guidelines, the DI underwriter reviews the financial and medical details, evaluates risk, determines eligible coverage and if any modifications are needed, which determines the final premium.

DI considers the following from an occupational standpoint:

- Variety of duties (versus title)
- Stability of earnings and employment

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Contractual Review

The underwriters will also note any outstanding contractual requirements that must be rectified before a policy can be issued. Examples of outstanding contractual requirements include:

- Forms contain incorrect answers
- Forms are missing
- Form signatures are incorrect or missing or contain incorrect signature dates
- Forms have incorrect answers that cannot be corrected at delivery

Deliver the Policy

A policy is issued after all requirements are submitted in good order and the application has been underwritten, evaluated, and approved.

- Schedule a meeting with your client to deliver the policy.
 - Review the policy with the client and verify acceptance.
 - The client must sign the delivery forms and any additional requirements, which vary by state and type of policy.
 - Collect the initial premium, unless it was collected when a TIDIA was issued during the application meeting.
 - Use this opportunity to strengthen the relationship with the client and ask for referrals.
- Once a policy is accepted by a client, there is a Free Look period where the client has the option to cancel the policy and receive a refund on any premiums paid.