



Income Protection Underwriting Guidelines

A simplified guide to National Friendly's
underwriting process

At National Friendly, we aim to keep the underwriting process as simple and seamless as possible, providing cover that meets the needs of your clients.

To improve the ease and speed of your application journey, we have designed an underwriting rules engine with intuitive question sets and market leading acceptance rates.

The underwriting journey

Following submission of an application, our underwriting software will assess the information disclosed and provide an immediate decision, or refer the case to one of our expert underwriters for manual assessment.

If the application requires manual underwriting, we will review the following information:

- **Medical history**
- **Financial eligibility**
- **Occupation**
- **Travel/residency**
- **Automatic evidence requirements**

An underwriting decision will then be made to either accept (on standard or non-standard terms), decline, postpone or obtain further evidence.

This guide provides a brief overview of how we assess common risk factors and what information we generally require when making an underwriting decision. The guide is for information only and any outcomes described may be subject to full underwriting.

BMI Table

BMI		Age 40 and under	Age 41-54	Age 55 and over
Min	Max			
0	15.9	decline	decline	decline
16	16.9	individual consideration	individual consideration	individual consideration
17	29.9	0	0	0
30	30.9	0	0	0
31	31.9	25%	0	0
32	32.9	25%	25%	0
33	33.9	50%	25%	25%
34	34.9	50%	50%	25%
35	35.9	75%	50%	25%
36	36.9	75%	50%	50%
37	37.9	100%	75%	50%
38	38.9	100%	75%	50%
39	39.9	125%	100%	75%
40	40.9	150% (nurse screen required)	150% (nurse screen required)	150% (nurse screen required)
>41		decline	decline	decline

Our interactive BMI calculator can be found on [our website](#).

Automatic medical limits

Monthly benefit	Age up to 40	Age 41-45	Age 46-50	Age 51-55	Age 56+
Up to £1,500	nil	nil	nil	nil	nil
£1,501 to £2,000	nil	nil	nil	nil	NSE & COT
£2,001 to £2,500	nil	nil	nil	NSE & COT	NSE & COT
£2,501 to £3,000	nil	nil	NSE & COT & FBP	NSE & COT & FBP	COT & FBP & MER
£3,001 to £4,000	nil	NSE & COT & FBP	NSE & COT & FBP	NSE & COT & FBP	COT & FBP & MER
£4,001 to £6,000	nil	MER & COT & FBP	MER & COT & FBP	MER & COT & FBP	MER & FBP & COT & NT & PSA

*PSA for male lives only *COT for non-smokers only

Definitions

- **NSE** nurse screening
An interview with a qualified nurse, usually performed at the applicant's home. The nurse will take blood pressure readings, height/weight measurements and test a sample of urine.
- **COT** cotinine test
A urine or saliva test used to check for any recent nicotine use.
- **FBP** full blood profile
A blood test to evaluate general health and confirm cholesterol and glucose levels.
- **MER** medical examination report
Performed by a qualified medical practitioner, either at a local surgery or the applicant's home. The exam includes a physical assessment along with urine, blood pressure and height/weight checks.
- **NT** NT-proBNP
A blood test to check for signs of heart disease.
- **PSA** prostate specific antigen (male lives only)
A blood test to check for prostate abnormalities.

Medical underwriting: declined conditions

We're currently unable to offer cover for individuals with any history of following conditions:

- Heart attack, angina or heart failure
- Stroke or TIA (terms may be possible in some circumstances – please contact our Underwriting Team to discuss)
- Multiple sclerosis
- Type 1 diabetes
- AIDS
- Peripheral vascular disease
- COPD/emphysema/bronchiectasis
- Ongoing recreational drug use or alcohol abuse (excluding infrequent cannabis use)

Medical underwriting: considered conditions

We're currently able to consider cover for individuals with a history of following conditions:

- Type 2 diabetes - immediate terms available where risk criteria met
- Ulcerative colitis and Crohn's disease (including those receiving immunosuppressive and Anti TNF treatments)
- Mental health problems including bipolar disorder and PTSD
- Single vessel heart disease treated surgically (where there is NO history of a heart attack, heart condition or ongoing symptoms of angina)
- Mild heart valve problems
- Mild hypermobility conditions
- HIV
- Ankylosing Spondylitis
- BMI of up to 40.9
- Rheumatoid and psoriatic arthritis

Arthritis and musculoskeletal issues

Requirements for pre-sales underwriting:

- Diagnosis (if this is arthritis, the type is required e.g. Osteoarthritis, Rheumatoid, Psoriatic Arthritis)
- Date of diagnosis
- Frequency of symptoms and date of last symptoms
- Treatment details (including medications, surgery, injections, physiotherapy)
- Investigations performed (including dates and results)
- Joints affected
- Time off work (if applicable) and impact on activities of daily living
- Details of any specialist or GP follow up requirements

Diagnosis	Potential underwriting outcome
Osteoarthritis - one or two joints	Exclude joint(s) affected.
Osteoarthritis - more than two joints	Likely decline - contact pre-sales for indication
Rheumatoid or Psoriatic Arthritis	Potential for cover - contact pre-sales for indication.
Breaks, fractures, sprains, tears, and/or pulled muscles.	We will assess each case on its own merits considering site of injury, extent of symptoms, occupation and deferred period. An exclusion will apply if there have been any symptoms in the last 12 months. Exclusions are reviewable once fully recovered and symptom free for at least 12 months.

Back pain

Requirements for pre-sales underwriting:

- Underlying cause of the symptoms
- Date of first episode and frequency of symptoms
- Investigations performed (type of medical investigations and dates)
- Treatment details (including medications, surgery, injections, physiotherapy)
- Time off work (if applicable) and impact on daily activities

Issue	Potential underwriting outcome
Back pain over 12 months ago - a one-off short lived episode requiring no more than 7 days off work, no further treatment and no underlying condition.	Standard rates for the majority of non-manual roles. Occupations that include manual duties, prolonged driving or standing will likely attract a spine exclusion.
Any of the following: recurrent back pain, symptoms in last 12 months, ongoing treatment or underlying back condition.	Exclude spine (potentially reviewable). For recurrent back conditions we generally prefer 3 years without symptoms before we can consider standard rates.

Potential evidence requirements

This is generally assessed from the application only, in some occasions a GP report may be required.

Asthma

Requirements for pre-sales underwriting:

- Date of diagnosis
- Frequency of symptoms
- Treatment
- Any hospital admissions, time off work (if applicable) or oral steroid treatment in the last 2 years
- Smoking status

Diagnosis	Potential underwriting outcome
Mild asthma which is well controlled on treatment, non-smoker status, no flare-ups requiring steroids or hospital admission in the past 2 years, and/or no time off work.	Standard rates.
Current smoker, infrequent flare-ups, and/or time off work.	Small to medium rating.
Poorly controlled asthma.	Decline.

Potential evidence requirements

This is generally assessed from the application only, in some occasions a GP report may be required.

Cancer

Requirements for pre-sales underwriting:

- Diagnosis (type of cancer)
- Location
- Classification (e.g. histology/staging/TNM)
- Treatment details
- Any history of recurrence or spread

Diagnosis

Potential underwriting outcome

Cancer (all types)

Potential to cover most forms of less aggressive cancers, with an exclusion or standard rates depending on time frames. Please contact pre-sales for an outcome indication.

Evidence requirements

A GP report is required as evidence in all cancer cases.

Type 2 diabetes

Requirements for pre-sales underwriting:

- Date of diagnosis
- Latest HbA1c reading (including date taken)
- Associated risk factors (including smoking, BMI, high blood pressure, kidney, heart disease)
- Complications (including eyes, feet, poor control, kidney dysfunction, vascular issues)

Diagnosis

Potential Underwriting Outcome

Well controlled type 2 diabetes (or pre-diabetes) diagnosed over 6 months ago, HbA1c less than 8.9%, no insulin treatment and non-smoker.

Medium to high rating (potential straight through process with no manual underwriting required). Post issue GPR required. Case remains on risk whilst awaiting the GPR.

All other cases

Declined or postponed

Indicative outcomes

HbA1c <58 or 7.5%		Duration of diabetes			HbA1c 58.1 - 74 mmol or 7.51 - 8.9%		Duration of diabetes		
		0-5 yrs	5-15 yrs	>15yrs			0-5 yrs	5-15 yrs	>15yrs
Client age	25-29	175%	decline	decline	Client age	25-29	decline	decline	decline
	30-39	125%	150%	decline		30-39	150%	175%	decline
	40-49	100%	125%	150%		40-49	125%	150%	175%
	50-59	75%	100%	125%		50-59	100%	125%	150%

Potential evidence requirements

Where terms are available, a GPR will be requested once the policy is on risk.

Depression, anxiety and/or stress

Requirements for pre-sales underwriting:

- Diagnosis
- Date of diagnosis and frequency of symptoms
- Treatment details (including names of medication and dosages)
- Time off work (if applicable) and impact on daily activities
- Any alcohol or drug misuse, hospitalisation, psychiatry consultations, suicidal thoughts and/or attempts

Diagnosis/symptoms	Potential underwriting outcome
Depression, anxiety and/or stress diagnosed within last 6 months.	Underwriting decision dependent on symptom trigger, contact pre-sales for indication.
Short lived mild episode, last symptoms or treatment over 2 years ago, less than 2 weeks off work in total, and no ongoing treatment.	Standard rates in most cases. Mental Health exclusion applies to all 30 day deferral period policies if any symptoms experienced in last 5 years.
Diagnosed over 6 months ago, mild and controlled on standard treatment. No psychiatry involvement, alcohol or drug abuse, extended time off work, self-harm, suicide attempts or hospitalisation.	Exclusion or potential rating (ratings subject to positive features, contact pre-sales for indication). Standard rates possible for optimum cases.
Recent situational/reactionary life event symptoms (e.g. bereavement, house move, relationship issues).	Initial mental health exclusion with potential for review once symptoms resolved.
Any of the following in the last 5 years: personality disorders, psychosis, schizophrenia, or bipolar disorders.	Terms possible in some cases, contact pre-sales for indication. We are generally unable to consider where diagnosis or flare-up of symptoms has occurred in the last 3 years.
Ongoing mental health symptoms with a history of excess alcohol or drug abuse.	Decline.

Potential evidence requirements

A GP report may be required as evidence in some cases.

Family history

Requirements for pre-sales underwriting:

- Diagnosis
- Age of family member diagnosed.
- Number of family members diagnosed and relationship to applicant.
- Does the applicant experience any symptoms or have they been diagnosed with any conditions associated with the condition noted in their family history.
- Has the applicant had, or are they awaiting any tests in respect of their family history. If so, we require details of the types of tests received, the results and the date the tests were performed.
- We only require information regarding immediate family members (mother, father, brothers and sisters) diagnosed before the age of 60 with one or more of the conditions below.

Family diagnosis	Potential underwriting outcome
Alzheimer's disease	Small to medium rating depending on applicants age and the number of relatives diagnosed.
Cancer	Depending on 'the' type of cancer and number of relatives, our standard rates or small to medium rating applies.
Cardiomyopathy	Ratings vary depending on the age of the applicant and whether a normal heart scan has been performed. Applicants over 50 are generally standard rates. The younger the life, the higher the rating.
Diabetes (type 2)	A nurse examination with blood tests is potentially required if more than 1 relative. Otherwise, standard rates apply.
Heart disease (heart attack, angina and/or coronary artery disease)	Standard rates for 1 relative. Potential small to medium rating for 2 or more relatives.
Huntington's disease	Standard rates if the applicant has had negative genetic testing, otherwise exclude.
Motor neurone disease	Standard rates if 1 relative, otherwise exclude.
Multiple Sclerosis	Standard rates if applicant is over 50, otherwise exclude.
Parkinson's disease	Standard rates if 1 relative, otherwise exclude.
Polycystic kidney disease	We require confirmation that the applicant has had a negative/normal kidney ultrasound to consider them. If they've had a normal scan performed, we generally apply a small to medium rating.
Polyposis of the colon	We can only consider cases where a colonoscopy has been performed. Standard rates are available where normal surveillance has been confirmed (subject to age of applicant and date of surveillance).
Stroke	Standard rates applied (subject to smoking status and BMI).

Potential evidence requirements

This is generally assessed from the application only, sometimes a GP report may be required.

Hypertension/high blood pressure

Requirements for pre-sales underwriting:

- Date of diagnosis
- Treatment details
- Last blood pressure reading (including date taken)
- Details of any associated risk factors (e.g. kidneys, cholesterol, heart, circulatory issues or proteinuria)

Symptoms

Potential underwriting outcome

Well controlled hypertension with last reading normal (taken in the last 12 months), >35 years old, diagnosed over 3 months ago, less than 3 blood pressure medications, no associated conditions, non-smoker, BMI less than 32.

Standard rates

Any of: age under 35 / smoker / BMI greater than 32

Small to medium rating

Blood pressure abnormal or poorly controlled

Postpone until control established for at least 6 months

Complications or associated conditions

Manual underwriting

Potential evidence requirements

This is generally assessed from the application only, sometimes a GP report or nurse screen may be required.

Raised cholesterol

Requirements for pre-sales underwriting:

- Date of diagnosis
- Treatment details
- Last cholesterol reading (including date taken)
- Details of any associated risk factors (e.g. high blood pressure, smoking, BMI, heart or circulatory issues)

Cholesterol readings

Potential underwriting outcome

Latest cholesterol reading (within last 2 years) under 6.5, no associated risk factors (see above), >35 years old, and/or no diagnosis of familial hypercholesterolaemia.

Standard rates

As per above, with latest cholesterol between 6.5 > 7.2

Small rating

As per above, with latest cholesterol between 7.2 > 9.0

Medium rating

Cholesterol over 9.0

Postpone until cholesterol control improves

Potential evidence requirements

This is generally assessed via a telephone interview, sometimes a GP report may be required.

Smoking

Applicants who have smoked or used nicotine replacement products (including e-cigarettes) in the last 12 months will be subject to smoker rates. Smoker rates are reviewable where the client has ceased using nicotine for a minimum period of 12 months. Any revisions are subject to a Cotinine test.

Alcohol

Applicants consuming alcohol at levels above the recommended intake will be subject to additional underwriting and may attract a higher premium or be declined. We may also request a report from their GP. Applicants consuming high to excessive amounts of alcohol will be subject to additional underwriting and may attract a higher premium or be declined. We may also request a report from their GP.

Hazardous pursuits

Low risk hazardous pursuits are covered as standard under the policy. Cover for higher risk pursuits can be obtained by purchasing additional 'enhanced' hazardous pursuits cover. Details of pursuits covered under both our standard and enhanced options can be found at:

www.nationalfriendly.co.uk/member/income-protection

Fracture cover

An add-on that can be purchased with an Income Protection plan that will provide a cash payment in the event the policyholder suffers from a fracture. They can claim up to £3,000 in total each policy year, depending on the severity of the fracture. To find out more about our Fracture Cover please visit: www.nationalfriendly.co.uk/member/income-protection

Occupations

Occupations are categorised according to risk and they are aligned with an occupation class ranging from 1 to 4.

Dual Occupations – where an applicant works in 2 roles, we can accommodate this provided they work over 16 hours a week in both occupations. Please call our underwriting team for guidance on this.

Occupation class	Definition	Examples
Class 1	Sedentary occupations, administrative/ clerical duties, professional, executive.	Office workers, clerical workers, managerial, insurance broker.
Class 2	Skilled or semi-skilled occupations involving a limited degree of manual duties.	GP, consultant, physiotherapist, retail manager, veterinarian, dentist.
Class 3	Skilled or semi-skilled occupations involving a moderate degree of manual duties.	Retail worker, nurse, teacher, barber, butcher, electrician.
Class 4	Occupations involving a high degree of manual work or significant driving.	Delivery driver, builder, carpenter, plasterer, scaffolder.

Dual occupations

We can cover dual occupations. If the applicant has more than one occupation and would like to cover their income from both jobs, we would advise you to call our underwriting team so we can help to advise on what information is needed. You can call us on **0333 006 3010**.






Decision guide

Standard rates	Terms offered with no rating or exclusions
Rated	Premium rating applied between +25% to +175%
Exclusion	Medical exclusion applied
Postpone	Cover unavailable for either a fixed or indefinite period
Decline	No cover available

Rating guide

Small rating	+25%
Medium rating	+50% to +100%
High rating	over +100%

Meet the team:

				
Duncan Reeves Head of Underwriting & Claims	John Fotheringham Technical Lead Underwriter	Paul Cleary Life & Disability Underwriter	Alex Putt Life & Disability Underwriter	Darren Lee Underwriting Consultant
Duncan has worked across Banking, Outsourcing and Insurance industries over the last twenty-five years. Over the last fourteen years Duncan has been with National Friendly in a variety of positions, most recently ensuring the smooth running of the Underwriting & Claim function overseeing private medical insurance, income protection, accident, sickness, life and immediate annuity activity.	With over 20 years experience with various insurers throughout the market, John has gained valuable insight into risk evaluation; whilst maintaining a sensible, flexible and empathetic approach to underwriting. John has been instrumental in designing our automated rules engine and developing our underwriting philosophy.	Paul has worked in the insurance industry for over 16 years, including 14 years in various Underwriting roles. During this time, he has amassed a wealth of knowledge in Life, Critical Illness and Income Protection products. He currently works on IP and annuities, whilst helping update the underwriting Philosophy.	Alex is a seasoned insurance professional with over 15 years of experience in underwriting. His expertise spans Life, Critical Illness, and Income Protection products. Alex currently focuses on Income Protection and Annuities while contributing to the development of the underwriting philosophy.	Darren's focus is providing support, expert insight, and advice in a consulting capacity. Darren has worked in the life underwriting and claims arena for over 30 years, holding leadership positions at major reinsurance and insurance companies. He has also worked as an underwriter in the Lloyd's of London market, successfully insuring people that the wider insurance market would not.

Here's how you can contact us

You can call us on: **0333 006 3010**

Our underwriting team are available to answer any questions you may have from 9am - 5pm Monday to Friday, excluding bank holidays. Calls from UK landlines and mobiles cost no more than a call to an 01 or 02 number and will count towards any inclusive minutes. Calls are recorded for training and quality purposes.

Or email us at: **underwriting@nationalfriendly.co.uk**

Or visit us at: **www.nationalfriendly.co.uk**

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