OBJECTIVE: To provide a knowledge and appreciation of the underwriting considerations for life and disability and critical illness insurance, including both medical and non-medical factors, and a knowledge of the major disorders and diseases of the body.

ANATOMY AND PHYSIOLOGY

Functions of the main body systems, their structure and interrelationship, including body cells, musculo-skeletal, cardiovascular, respiratory, digestive, genito-urinary and nervous systems and the endocrine glands.

Eyes, ears, heart, blood vessels, vitamins and the skin.

Main causes of diseases.

DISORDERS AND DISEASES

Investigation of heart disease.


Arrhythmias, diseases of heart valves and muscle.

Rheumatic heart disease, simple congenital heart diseases and their underwriting implications.

Hypertension, its management, complications and underwriting implications.

Diseases of arteries and veins.

Blood and functions of blood cells. Haematological disorders and their underwriting implications.

The respiratory system, its main diseases and underwriting implications.

Diseases of the endocrine glands and metabolic disorders.

Diabetes, its management, complications and underwriting implications.

Diseases resulting from vitamin deficiency and their underwriting implications.

Disorders of the alimentary tract and their underwriting implications.

Disorders of the liver, gall-bladder and pancreas and their underwriting implications.

Diseases of the musculo-skeletal system, bones, joints, connective tissue, muscles, tendons and ligaments.

Disorders of the spine and their underwriting implications.

Abnormal skin reactions, skin manifestations of systemic disorder, skin diseases including malignancy and their underwriting implications.

Major disorders affecting the eyes and ears and their underwriting implications.

Investigation and diagnosis of disorders of the nervous system.

Major disorders which affect the nervous system and their underwriting implications.

Classification of psychiatric disorders.

Major psychiatric disorders and their underwriting implications.

Pregnancy and diseases of the breast and their underwriting implications.

Genito-urinary disorders and sexually transmitted diseases, their investigation and underwriting implications.

The clinical features of AIDS, HIV virus and modes of transmission, laboratory tests and underwriting implications.

Basic principles of genetics and underwriting implications.

Types and control of organisms which cause disease.

Disorders due to infections, tropical diseases and infestations and their underwriting implications.

Impact of lifestyle on mortality and morbidity with particular reference to smoking and use of alcohol and drugs.

NON-MEDICAL RISK FACTORS

Various types of policies in relation to life and disability underwriting and their application to the provision of health care.

The nature of occupational and recreational risks and the impact of these risks on the type of insurance product offered.

Underwriting process and consideration of specific hazardous occupational and recreational risks. The use of special questionnaires.

Increased mortality and morbidity for residential risks and the underwriting process.

Geographical risk factors for major continents.

ASSESSMENT OF EXTRA RISK

Nature of extra risks.

Methods of treating under-average lives and extra risks.

Imposition of additional premiums or restrictions on cover provided.

Mechanism of loading.

FINANCIAL RISK ASSESSMENT

Main objectives of financial underwriting, including anti-selection and fraud.

Range and underwriting of personal covers.

Range and underwriting of key person insurance.

Business loans cover and the evidence required.

UNDERWRITING—LIFE AND DISABILITY RISKS

Social and legislative constraints on underwriting practice.

Mechanics of application processing.

Structure of an underwriting department.

Role of the Chief Medical Officer.

Requirements for medical evidence, including non-medical limits, private medical attendant’s report and medical examiner’s report.

Use of additional medical tests.

Underwriting implications of advances in genetics.

Non-medical underwriting requirements.


Access to Medical Records Act 1990. 2
Regulation by the Ombudsman. 2
The ABI Code of Practice 1999 in relation to the above matters. 3

MECHANICS OF UNDERWRITING
Structure of the full and short proposal forms. 3
Supporting medical evidence, with particular reference to the private medical attendant’s report, medical examiner’s report and questionnaires. 3
AIDS questions on examination forms. 2
Basic concepts of life underwriting. 2
Assessing the risk. 2
Selection against life offices. 2
Classification of life risks. 2
Numerical systems of rating. 3
Assessment and rating of life assurance, permanent health insurance (income protection), critical illness benefit and group life cover. 3
New types of health policies. 2
Acceptance terms. 2
Life of another proposals. 2

CLAIMS
Admission of death claims on individual policies, with particular reference to non-disclosure, cause of death not covered and overseas deaths. 3
Validity of critical illness claims. 2
Assessment of permanent health insurance claims, including evidence required and policy conditions. 2
Assessment of permanent and total disability claims. 2

Knowledge ratings
Each sub-topic has been designated a numerical knowledge rating as follows:
1 General background awareness necessary.
2 Requires a knowledge of the major elements of procedures or concepts and their uses.
3 Requires the ability to evaluate concepts, issues, policies and procedures, together with an understanding of associated aspects of these items and their application to various situations.

Study materials
The following list provides details of various publications which may assist with your studies. The primary text for this syllabus is shown in bold type. Periodicals and publications listed as additional reading will be of value in ensuring candidates keep up to date with developments and in providing a wider coverage of syllabus topics. The reference materials cited are authoritative, detailed works which should be used selectively as and when required.
Most of these additional study materials can be borrowed or purchased from the CII library.

Primary text
Coursebook 555: Life and disability underwriting. The Chartered Insurance Institute.

Additional reading

Reference materials

Periodicals
Medical articles in quality newspapers.