



FOR PROFESSIONALS

SINCE 1941

PPS UNDERWRITING GUIDE FOR APPLICANTS

UNDERWRITING
guide
2013



WHAT HAPPENS WHEN YOU SUBMIT YOUR APPLICATION FOR INSURANCE?

Once an application is submitted it is put through a number of processes to ensure that all the necessary information is captured. This includes banking details, contact details, personal information and the necessary regulatory forms required if a similar policy is being cancelled at another insurance company. Once the necessary information has been captured the application is sent for underwriting.

WHAT TYPE OF REQUIREMENTS ARE THERE?

There are two main types of requirements for insurance policies at PPS. A standard requirement is one requested due to the type of policy applied for and other factors such as the age and sum assured. An additional requirement is one which is requested due to information on the application form or other sources.

WHAT IS UNDERWRITING?

Underwriting is risk assessment. It applies to both health and financial aspects of an application. Where an amount of cover is applied for it must be reasonable for the insurance company to see that the risk applied for is in accordance, with the financial status of the applicant. Financial underwriting ensures that the benefits applied for are appropriate considering the financial circumstances of the applicant and that the applicant is not over-insured.

Health (Medical) underwriting looks at health impairments and determines the risk to an insurance company for the benefits applied for. A history of a back problem will for example play little role in an application for a life policy, however will play a large role in an application for a disability policy. Health (medical) and financial requirements are called for as part of the normal course of this underwriting process. These may be questionnaires, forms, declarations, medical examinations or other requirements.

WHY ARE BLOOD TESTS NEEDED FOR INSURANCE?

Blood tests can be used to check for conditions which the applicant may not know he has such as HIV, or to establish the degree of control for which the applicant is being treated such as high cholesterol. The results form part of the underwriting process. They may be standard requirements (required by underwriters as part of the general profile of the applicant for age, sum assured and type of benefit) or an additional requirement (required where there may be a health impairment according to the application form or other information).



WHAT IS A FASTING BLOOD TEST?

If fasting is required then this must be for 10 hours prior to the blood test with no food, tea or coffee, only water.

WHAT BLOOD TESTS MAY BE CALLED FOR?

Any of the following may be called for depending on your age, sum assured and insurance benefit applied for and other risk profile such as smoking.

Serum cholesterol (RBSC or FBSC)	Cholesterol may be a risk factor for developing heart disease. This may be random or fasting test.
Blood HIV test (serum HIV)	This test checks for the presence of antibodies and antigen of the HI Virus in blood. The tests performed are highly specific and false results are very rare. All information is contained in the HIV testing sheet and this should be read carefully prior to undertaking the test.
Serum cotinine (serum COT)	If an applicant applies for non-smokers rates, an insurer may check this with a blood test which checks for the break down products of nicotine from tobacco.
Liver enzyme tests (including GGT, AST, ALT)	These tests may be done where there is an indication that there may be a liver disorder e.g. history of hepatitis.
Blood glucose test (RBS or FBS)	This is checked where there may be an indication of abnormal sugar levels in the blood due to family history, or obesity. This test often called for as a fasting test.
Glycosylated Haemoglobin (HBA1c)	This checks for abnormally high levels of blood glucose over a long period of time. It is used by patients with diabetes to monitor blood sugar levels.
Serum Creatinine / urea	Monitors any kidney disease which may be present.
Ferritin	Assess iron stores in the body which would indicate iron deficiency or overload. Levels may be raised during inflammation or chronic disease.
Full blood count (FBC)	Measures the number of white and red blood cells and is an indicator of infection or anaemia.
Prostate Specific Antigen	Used to screen for prostate disorders in males.
Serum triglycerides	Triglycerides may be a risk factor for developing heart disease.
Urine MCU (microchemical urinalysis)	To check for infections, sugar in the urine or other problems.
Microalbuminuria	To check for protein in the urine which may be an early indicator of kidney disease.

HOW CAN THE BLOOD/URINE TESTS BE DONE?

- All laboratories in hospitals and doctors rooms are equipped to take the blood for these tests. One needs to take the request letter from PPS listing the requirements, and your ID book, to the nearest laboratory. Only the required blood tests can be performed and no other tests will be paid for by PPS.
- The urine specimen will be collected in a small, sterile container and sent for testing to the laboratory.
- Alternatively a travelling nurse can be requested by your broker in conjunction with the nearest PPS branch office.

WHAT IS THE TRAVELLING NURSES SERVICE?

This is a service offered in conjunction with an external service provider, where an appointment is made with the member at a convenient time for both member and nurse. The nurse will come to the appointed place with the necessary forms. The requirements are completed by the nurse who will then deliver them to the appropriate place: the blood is taken to the laboratory and the forms are delivered to PPS. There is no additional cost for the member and this is a service offered by PPS for member's convenience.



HOW IS THE BLOOD TAKEN?

It is a requirement that photographic ID be checked for all blood tests and examinations. The ID will be checked in the normal way. The nurse will place the tourniquet around the upper arm and apply moderate pressure to allow the veins to swell. The area around the chosen vein is swabbed to ensure it is sterile and the needle inserted through the skin. The blood will be drawn into the tube until the tube is full. The pressure is then reduced and the needle removed. The area is covered with a plaster to ensure that no blood oozes out onto clothing.

Is it painful?

Some people feel more discomfort than others however any discomfort is short and of minimal severity. Some people are more sensitive to the idea of a blood test. Unfortunately many insurance companies including PPS, do not accept results for certain tests unless they are performed on blood specimens.

There may be a small amount of bruising as this is an invasive procedure. This is almost never of any clinical consequence, but may be prevented by direct moderate pressure on the needle stick site.

HOW LONG DOES IT TAKE?

From the time you sit down in the bloodletting room at the laboratory, or the nurse arrives at your office, it should not take more than 10 minutes to draw the blood specimen. This does not include time taken to complete the necessary forms or have the ID checked. The blood test results will be sent from the laboratory to PPS within 8 hours.



WHAT IS A MEDICAL EXAMINATION FOR INSURANCE?

These are not always required and called for only in specific instances.

- A nurses medical (Short Medical Report) where a history is taken, and then the height, weight, blood pressure and urine are tested. This normally takes about 20 minutes to complete.
- A doctors medical (General Practitioners Medical Report GPMR or Physician Specialist Medical Report PSMR) where a history is taken, then a full medical examination including height, weight, blood pressure, urine, as well as abdomen, chest and musculoskeletal system are examined. This normally takes about 30 - 45 minutes. There will be special attention to heart sounds in the case of heart murmurs.
- A resting and effort electrocardiogram (ECG) where you are required to exercise to a specific heart rate to see if there is any heart problem. This may take up to 15 minutes.
- A Flow Volume Loop where you will be required to blow into a machine to check your lung functions. This may take 10 minutes.

WHAT TO DO ABOUT MEDICAL REQUIREMENTS IN AFRICA, OUTSIDE SOUTH AFRICA?

If you are currently residing in any country other than the above areas, it is possible to have blood tests and Short Medical Examinations done at a laboratory or doctors rooms. Please contact our Underwriting Research and Development area bgordon@pps.co.za or Chief Underwriter ccorrea@pps.co.za for further information as to validity of tests done at these laboratories, prior to having the tests done.

HOW WILL I BE INFORMED OF ANY ABNORMAL BLOOD TESTS RESULTS OR ECG FINDINGS?

If the result leads to an underwriting decision of loading, exclusion, or defer, then the decision will be communicated via the counteroffer process. For details regarding the reasons for the decision, the client can contact the underwriting department via the intermediary, at underwritingquery@pps.co.za and the reasons will be put into a letter for the client to take to his doctor.

HOW TO GET MEDICAL EXAMINATIONS DONE OUTSIDE SOUTH AFRICA?

If you reside outside South Africa in any of the following areas, please indicate this clearly on your application form and ask your intermediary to do the same:

- United Kingdom
- Western Europe
- North America
- Australia and New Zealand
- Middle East

There are service providers in United Kingdom who can be contacted to perform Short Medical Examinations and blood tests. For other areas please take the requirement letter and forms to a laboratory either at a hospital or in a doctor's rooms, with photo identification e.g. passport. The signed documentation plus a copy of the photographic ID will be submitted to PPS by the laboratory or doctor's rooms, when the test results are sent through. It may take up to 5 days for these results to be received by PPS underwriting.

Please advise PPS if you live outside South Africa, when you receive your requirements letter, if you have not done so on your application form, so that we can help you get your requirements in timeously.

Please note that all requirements outside South Africa must be annual for by the member. On submission of an account to PPS the member will be reimbursed by PPS at the ASISA tariff rate in South African Rand only.

This amount is indicated on the PPS website.

WHAT TO DO IF YOU WISH TO REQUEST A REVIEW OF AN UNDERWRITING DECISION?

Contact your broker or nearest PPS branch office that will be able to assist you. Please note that PPS do not pay for medical examinations, blood tests, X rays or any other medical investigations where a review of a previous decision is being requested.

WILL MY POLICY BE ISSUED WITH SPECIAL TERMS?

This will depend on your medical history, recent diagnosed medical condition or the results of your blood tests submitted. The following four decisions are the most common (but not limited to) that PPS may apply to your policy:

Accepted at ordinary rates: There are no extra ratings or exclusions on your policy.

Accepted with a loading: An additional amount is added to the policy premium because the risk is considered to be higher than that assumed when the original premium was quoted, the amount can vary depending on the medical risk.

Exclusion: This means that you will not be covered for a specified condition.

Postponed: If you have either been recently diagnosed with a serious medical condition example: Cancer or if you undergoing investigations or awaiting referral to a medical specialist, your policy will be postponed.

Declined Application: Where the risk is too high for PPS to insure.

WHAT PROCESS DO I FOLLOW IF I AM NOT HAPPY WITH THE TERMS OFFERED?

Discuss the terms quoted with your broker first as he will be handling the appeal on your behalf. A request to review/appeal must be done in writing by you (the client) and not the broker on your behalf. The cost of any additional medicals or blood tests requested will be for your own (the client's) cost. Appealing an underwriting decision does not guarantee a change of original terms.