

# MetLife MortgageSafe Underwriting Guide

For advisers only

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# About MetLife

MetLife Europe d.a.c. is an affiliate of MetLife, Inc. and has been in the UK since 2007, providing innovative protection, employee benefits and retirement solutions.

MetLife, Inc. has established a strong presence through organic growth, acquisitions, joint ventures and partnerships in over 40 countries worldwide and is trusted by tens of millions of customers<sup>1</sup>.

## ✓ Efficiency and flexibility

MortgageSafe aims to cover the majority of clients immediately, with simplified underwriting for those who need it.

## ✓ Innovation and simplification

Our commitment is to provide innovative and simple products to the market which focus on increased accessibility and inclusivity for clients.

## ✓ Trust and expertise

Our UK based operations deliver proven excellence in claims and service, delivering on our promises when it really matters.

<sup>1</sup> MetLife Worldwide: [https://www.metlife.com/about-us/corporate-profile/global-locations/?WT.mc\\_id=vu1133](https://www.metlife.com/about-us/corporate-profile/global-locations/?WT.mc_id=vu1133)

We have built a reputation based on trust and excellent service.



Operating in **40+** countries.



Winner of **40+** UK industry awards.



MetLife, Inc. were the first life company to pay a claim on the sinking of the Titanic.



# An introduction to MortgageSafe

**MetLife's MortgageSafe policy provides a streamlined solution to protecting a customer's mortgage repayments if they are unable to work due to accident and / or illness.**

Our online portal requests the relevant information needed to quickly assess eligibility and produce an illustration for each available level of cover.

## **Cover options include:**

### **Core Cover** - Accident only

Provides back to day one cover when unable to work as a result of bodily injury for at least 4 weeks and continue to be unable to work, with benefit paid for up to 12 months. There are no underwriting questions asked as part of the application for cover.

### **Essential12** and **Essential24 Cover** - Accident and illness

Provides back to day one cover when unable to work as a result of bodily injury or illness for at least 4 weeks and continue to be unable to work, with benefit paid for up to 12 or 24 months. We will ask a simplified set of underwriting questions as part of the application for cover.

## **Key features:**

- Illustrations are immediately available.
- Prices are generated once an applicant's age, occupation, mortgage repayment term, benefit amount, smoker status, height and weight details have been provided. We **won't** increase an applicant's premium due to any wider medical history.
- 5 mandatory questions are asked for Essential12 and Essential24 cover. Short lookbacks are used where possible to ensure that only relevant information is obtained. No compulsory GP reports or medical exams based on benefit amount.



# Section 1: Premiums

The information which determines the monthly premium payable by the applicant includes:



## Policy term (Core, Essential12 and Essential24)

Minimum term of 5 years, maximum term of 40 years (or to 70th birthday). Applicant can apply if aged on or between 18 and 59 years at last birthday.



## Benefit amount (Core, Essential12 and Essential24)

Amounts on or between £200 and £1,500 per month can be selected (up to 110% of the monthly mortgage repayment amount).

This link to their monthly mortgage repayment amount enables a simplified approach:

- i) Proof of earnings burden removed at application stage
- ii) No benefit limitation in terms of percentage of salary
- iii) No benefit reduction will be imposed for any other income sources (including any benefits payable by other insurance policies).



## Tobacco / nicotine use (Essential12 and Essential24)

A loading to premiums is applied to reflect the known health risks associated with this activity. We only use a 12-month lookback to avoid penalising those applicants who have successfully stopped using these products. We do not require details regarding daily consumption.



## Body Mass Index 'BMI' (Essential12 and Essential24)

Current height and weight measurements are requested at point of application to obtain an applicant's BMI, with the result assessed immediately by our portal.



## Occupation (Core, Essential12 and Essential24)

Our comprehensive list of insurable occupations is split into 4 pricing classes to differentiate between those which are:

- i) Professional, managerial, executive, administrative and clerical classes not engaged in manual labour;
- ii) Master crafts persons and trades persons engaged in management and supervision; skilled operatives engaged in light manual work in non-hazardous occupations;
- iii) Skilled persons engaged in manual work within non-hazardous occupations; and
- iv) Skilled and semi-skilled operatives engaged within heavy manual work or subject to special hazard.

Over 90%\* of occupations are acceptable. Occupations in classes iii) and iv) will attract a higher premium.

A minority of occupations are declined at point of application, including but not limited to Armed forces, Commercial Divers, Labourers, Motorcycle couriers, Oil and Gas workers, Professional sportspersons, Mining, Tunnelling or Quarry workers. A list of occupations and their classifications can be provided upon request. Please contact our Medical Underwriting team on [mortgagesafe.underwriting@metlife.uk.com](mailto:mortgagesafe.underwriting@metlife.uk.com) or on 0800 917 1888

\*Our online portal contains a comprehensive list of 1,809 occupations. 151 (8.3%) are declined.

## Section 1: Premiums continued

Our automated approach is competitively positioned with standard rates available to customers with a BMI of or between 18 and 34.

Please note younger ages result in stricter terms for the same BMI when overweight. This recognises that obesity often progresses with age and early onset can increase the prevalence of conditions such as type 2 diabetes, high blood pressure and heart disease.

Body Mass Index*	Male		Female	
	Age 18-44	Age 45-59	Age 18-44	Age 45-59
<=15	Decline	Decline	Decline	Decline
16-17	+50%	+50%	+50%	+50%
18-34	Standard	Standard	Standard	Standard
35	+50%	Standard	Standard	Standard
36	+50%	+50%	+50%	Standard
37	+75%	+50%	+50%	Standard
38	+75%	+50%	+50%	+50%
39	+75%	+50%	+50%	+50%
40	+100%	+75%	+75%	+50%
41	+100%	+75%	+75%	+50%
42	Decline	+100%	+75%	+75%
43	Decline	Decline	+100%	+75%
44	Decline	Decline	Decline	+100%
45	Decline	Decline	Decline	+100%
=>46	Decline	Decline	Decline	Decline

\*BMI values are rounded from 1 decimal place.

**Minimum premium:** Each option has a minimum monthly premium as follows:

For monthly benefit of up to £250 per month:

<b>Core</b>	£5 per month
<b>Essential12</b>	£7 per month
<b>Essential24</b>	£8 per month

For monthly benefit above £250 per month, the minimum premium increases by £0.10 per £50 benefit.

For the maximum monthly benefit of £1,500 per month the minimum monthly premiums are:

<b>Core</b>	£7.50 per month
<b>Essential12</b>	£9.50 per month
<b>Essential24</b>	£10.50 per month

**Premium ceiling:** Essential12 and/or Essential24 will be unavailable for higher risk applicants when the monthly premium calculated is in excess of 20% of the monthly benefit amount.

# Section 2: Underwriting

**For those wishing to apply for Essential12 or Essential24 cover (accident and illness), we have 5 ‘yes’ or ‘no’ questions to assess an applicant’s medical history. This limited question set has been specifically designed to allow an inclusive, quick and nimble underwriting process and to maximise the opportunity for immediate acceptance. Importantly, we do not apply loadings due to medical history, though targeted exclusions may arise.**



Our first 3 questions are wholly focused on those conditions which are most relevant to underwriting protection - critical illnesses, musculoskeletal conditions and mental health. Our last 2 questions concern absence from work and current prescription medication and treatment.



See page 8 for the wording of each question, along with some common conditions and the potential underwriting decisions.

## Lookbacks:

With the exception of our critical illness question, emphasis has been placed on an applicant’s recent medical history with lookbacks of no more than 12 or 24 months.

These condensed time periods reduce the need for the applicant to try and remember information unnecessarily far back in time. They help avoid disadvantaging the customer due to dormant issues, reward full recoveries, provide increased certainty of cover and reduce turnaround times at the point of application.

More detailed questions are asked on the portal following any ‘yes’ answer, to obtain the ‘what, where, when, why and how’ information we need to assess a case fairly, accurately and quickly.

Applications which include a ‘yes’ answer are automatically referred to our underwriting team to assess. We will conduct our initial assessment within 3 working days.

Underwriting updates are provided during the assessment process and when an underwriting decision has been reached – the applicant will receive notifications by letter or email, in accordance with their preferred method of contact, and their intermediary will be informed by email.

## Further medical evidence:

Should we require additional information we will request this from the applicant (by email where possible). This empowers the applicant and acknowledges that they themselves are often best placed to advise on their own medical conditions, particularly when considering musculoskeletal or mental health conditions.

We do not have any mandatory requirements for a GP report or a medical exam based on the benefit amount.

Should an applicant wish for us to seek further clarification from their GP, we can facilitate this request. To do so we will obtain their written consent before making any approach.

## Underwriting outcomes:

After assessing the information disclosed, we will issue 1 of 3 types of decision in relation to the cover requested.

**Standard rates** – we have determined no increased risk and the policy has been accepted without any revised terms following the underwriting process.

**Exclusion(s)** – if an exclusion applies, we have identified an area of increased risk and will not pay a claim for the named condition. Common exclusions will be related to the spine (for example due to a history of back pain) or to mental health (for example due to recent anxiety, stress or depression). A maximum of 3 exclusions are applied before Essential12 or Essential24 cover is declined. Core Cover (accident only) remains available if an applicant does not want to take out a policy subject to exclusions.

**Decline** – we have determined the risk is too high to offer terms for Essential12 and Essential24 cover (for example due to heart disease, diabetes or due to chronic conditions such as rheumatoid arthritis or multiple sclerosis). Core cover (accident only) remains available if an application for Essential12 and Essential24 is declined.

# Section 3: Special Considerations



## COVID-19 ('coronavirus')

We do not ask any coronavirus-related questions at point of application and a pandemic exclusion does not apply to the policy. Coronavirus-related claims will be considered in line with all other illnesses and in accordance with our policy terms and conditions which assess whether an individual is unable to work. As such, absence due to self-isolation or shielding alone does not meet the definition of being unable to work, and will not qualify for a claim.

**Self-isolation** means you are staying at home at all times and avoiding any face to face contact as a precautionary measure and/or have been personally advised to self-isolate by a medical professional or the NHS, including the NHS helpline 111.

**Shielding** means you are staying at home at all times and avoiding any face to face contact because you or a member of your household are clinically extremely vulnerable.



## Sports and hazardous pursuits

We do not ask for details regarding an applicant's sports or pastimes within our question set. A small group of specific sports or pastimes are however excluded within our policy terms and conditions and are limited to:

- Any form of aerial flight, other than as a fare-paying passenger of a licensed airline or charter service e.g. private aviation or any aviation related sports (such as gliding, hang gliding, paragliding, microlighting, parachuting and skydiving);
- Participation in contests of speed meaning taking part in sprints, racing, speed or time trials involving the following: any type of car or truck, any type of motorcycle or motorised bike including a quad bike, any motor or wind powered boat including a jet ski or a horse (other than for dressage, show jumping and cross country); and
- Mountaineering, outdoor cliff or rock climbing, potholing.

Participation in mainstream sports, such as football or rugby, do not attract special consideration when undertaken as an amateur. All sports conducted in a professional capacity are, however, excluded.



## Pregnancy

Absence from work whilst on maternity or paternity leave will not be considered for a claim.



# Appendix 1:

## MortgageSafe underwriting questions – quick reference

The table below shows the 5 medical underwriting questions for Essential 12 or Essential 24 cover.

For each question the table then also includes some common examples of the conditions which will prompt a 'yes' answer, together with guidance on the underwriting decisions which may then be made.

Importantly each question has its own look back period, the majority only look back between 1 to 2 years.

(Please note our questions may be subject to change over time, to ensure they remain relevant to the insurance being provided. Any such changes would be reflected on the online portal.)

	Examples of relevant entries	Underwriting outcome(s)
<b>Question 1:</b> Have you ever had or been diagnosed with any disease or disorder of the heart, stroke, diabetes, cancer or brain or spinal tumour?	Angina, heart attack, coronary heart disease, heart valve defect or cardiomyopathy (note this question does not seek out conditions such as raised blood pressure, raised cholesterol, atrial fibrillation or non-cardiac chest pain).	Most cases will be declined*.
	Stroke, cerebrovascular accident (CVA), transient ischaemic attack (TIA), subarachnoid haemorrhage (SAH) (note this question does not seek conditions such as cluster headache, hemiplegic migraine).	Most cases will be declined*.
	Type 1 or type 2 diabetes, impaired glucose tolerance, gestational diabetes.	Most cases will be declined* with exception of gestational diabetes – if resolved, post-delivery standard rates can apply.
	Any form of carcinoma, sarcoma, leukaemia, lymphoma or myeloma. Any benign or malignant brain or spinal tumour (such as astrocytoma, glioma, neurofibroma, meningioma, vertebral haemangioma).	Availability of terms will depend on date of diagnosis, type and site, staging, treatment and length of any remission period.
<b>Question 2:</b> Within the last 12 months have you been prescribed or received any medication, treatment or advice relating to anxiety, stress, depression or any other mental or behavioural disorder?	Anxiety, stress, depression, panic disorder, bi-polar disorder, post-traumatic stress disorder, obsessive compulsive disorder, schizophrenia or any other type of psychosis.	Most cases will attract a targeted exclusion given occurrence within the last 12 months. Some more severe cases may be declined*.

# Appendix 1:

## MortgageSafe underwriting questions – quick reference continued

	Examples of relevant entries	Underwriting outcome(s)
<p><b>Question 3:</b></p> <p>Within the last 12 months have you experienced any pain, disease or disorder of, or injury to, any of the following areas of your body: neck, back, shoulder(s), elbow(s), wrist(s) and hand(s), hip(s), knee(s) or feet**?</p>	<p>Back pain, sciatica, broken bone(s), degenerative changes affecting any joints or bones, arthritis (osteo and rheumatoid), cartilage/ligament/muscle injuries, tendonitis, repetitive strain injury, plantar fasciitis.</p>	<p>Most cases will attract a targeted exclusion given occurrence within the last 12 months. Decisions will be based on cause, frequency, severity and duration of symptoms and treatment.</p>
<p><b>Question 4:</b></p> <p>Within the last two years have you been absent from work due to illness or injury for a period of more than 10 consecutive working days?</p>	<p>Critical illness, anxiety, stress and depression, muscular-skeletal issues, wider acute illnesses (such as respiratory infection, inflammatory bowel disease) or minor surgery (hernia repair, hysterectomy).</p>	<p>Decisions will be based on cause of absence, dates of absence, treatment and extent of recovery. Standard rates, or targeted exclusions in more severe instances, may apply.</p>
<p><b>Question 5:</b></p> <p>Do you currently take any prescription medication or receive any other treatment?</p>	<p>All prescription medications (with exceptions of; vitamins and minerals, oral contraceptives, hormone replacement therapy (HRT), cold/flu/allergy medications &amp; nasal sprays, paracetamol and ibuprofen), physiotherapy, psychotherapy (such as cognitive behavioural therapy (CBT) or counselling).</p>	<p>Decisions will be based on the underlying reason for the prescription medication and/or treatment.</p> <p>For example, standard rates can apply to those who receive:</p> <ul style="list-style-type: none"> <li>• blood pressure/cholesterol medications</li> <li>• inhalers</li> <li>• thyroid replacement therapies</li> </ul> <p>Targeted exclusions may apply to those who receive:</p> <ul style="list-style-type: none"> <li>• epilepsy medication</li> <li>• Crohn's or colitis medication.</li> </ul>

\*Core Cover - Accident only - remains available.

\*\*Q3 reverts to only referencing 2 areas of the body (neck and back) if under age 40.



For further questions regarding underwriting, please contact our Medical Underwriting team on [mortgagesafe.underwriting@metlife.uk.com](mailto:mortgagesafe.underwriting@metlife.uk.com) or on **0800 917 1888**, Monday to Friday, from 9am until 5pm. Calls may be recorded for monitoring or training purposes.

**0800 917 2221**

**[metlife.co.uk/mortgagesafe](https://www.metlife.co.uk/mortgagesafe)**

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